



# DEVELOPING DECISION CRITERIA

Achieving Strategic Clarity program

## Toolkit materials

This document contains readings and exercises to capture your intended impact and theory of change drafts in a clear set of criteria you can use to inform decision-making.

Bridgespan Leadership Accelerator  
AcceleratorCoach@Bridgespan.org

### **Boston**

2 Copley Place,  
7th Floor, Suite 3700B  
Boston, MA 02116  
USA  
T. 617.572.2833

[www.bridgespan.org](http://www.bridgespan.org)

### **Johannesburg**

Bridgespan Africa Initiative  
10 The High St,  
Melrose Arch 2076,  
Johannesburg  
South Africa  
T. +2711.012.9280

### **Mumbai** registered address

Bridgespan India Private Limited  
9th Floor, Platina, G Block, Plot C 59  
Bandra Kurla Complex  
Mumbai 400051  
India  
T. +91.22.6628.9624

### **New York**

333 Seventh Avenue  
11th Floor  
New York, NY 10001  
USA  
T. 646.562.8900

### **San Francisco**

88 Kearny Street  
Suite 200  
San Francisco, CA 94108  
USA  
T. 415.627.4500



# Introduction

## Note to reader

Dear Nonprofit Leader:

Welcome to the *Developing Decision Criteria* toolkit! This toolkit is for teams interested in capturing their intended impact and theory of change drafts in a clear set of criteria they can use to inform their decision-making. Creating such criteria keeps decisions rooted in your strategy and provides a clear and shareable rationale for choices you make about new opportunities or your current work. At the end of this toolkit, you will have an agreed upon set of criteria to guide decision-making that you've already started to test with a few relevant decisions.

This toolkit has been designed for one individual on the team, who we'll refer to as the "Toolkit Lead." The toolkit will provide guidance on how the Toolkit Lead can drive the process of developing a decision criteria and, at each step, identify potential ways they could engage their broader team.

We've designed these materials so that you can either directly print hard copies or use and share this version digitally. The digital version includes links to writable versions (Microsoft Word and PowerPoint) of the included exercise templates. To optimize the document for easy printing, some pages were left blank.

At any point, if you have any questions about these toolkits or suggestions on how they can be improved, please reach out to the Bridgespan Coaching team at [AcceleratorCoach@bridgespan.org](mailto:AcceleratorCoach@bridgespan.org). We value and appreciate your input and are here to help.

We hope you will find this experience to be highly valuable for your team and look forward to hearing from you. All the best as you get started!

Sincerely,

The Bridgespan Leadership Accelerator team

## About this toolkit

One of the reasons your team likely embarked on this strategic clarity effort was to be more deliberate in the choices your organization makes. In drafting your intended impact and theory of change, you made important decisions about how you would prioritize different populations, outcomes, and approaches to best achieve your intended impact.

Decision criteria provide a concrete and explicit way to keep your intended impact and theory of change at the forefront of your decision-making process. You can use these criteria when you are looking at new opportunities and when you are periodically reviewing your current work. Using decision-criteria can help your team hold itself accountable to the strategy you've set.

We find that having explicit criteria to guide your decision-making can help in several ways. Decision criteria:

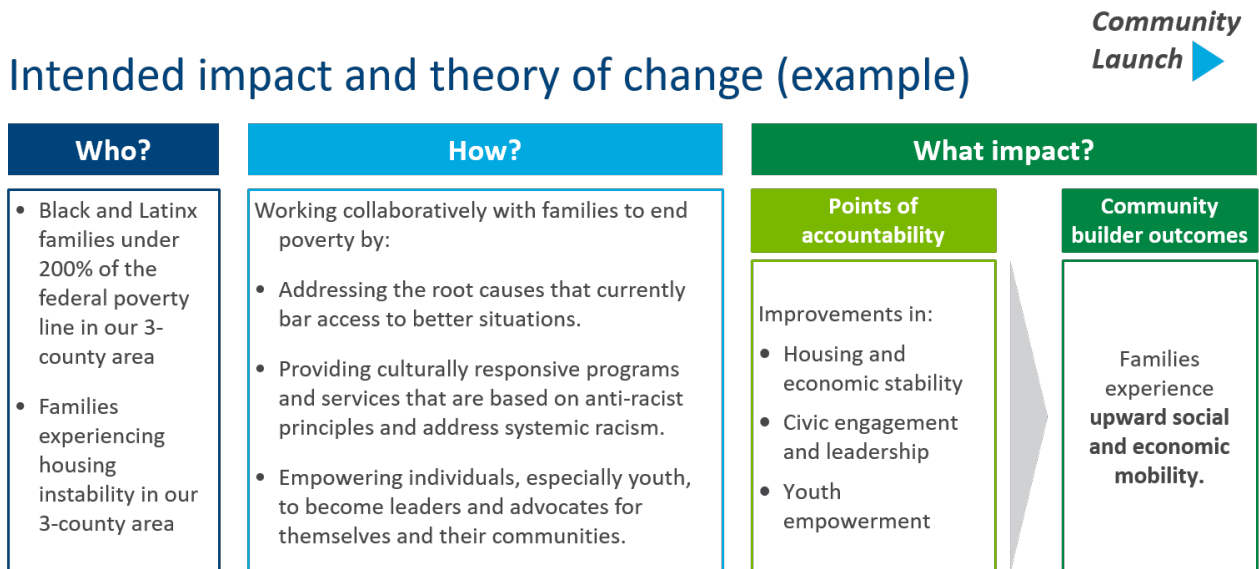
- Create a consistent approach for applying your intended impact and theory of change to make decisions about how to allocate scarce resources
- Provide a more comprehensive lens that ensures important considerations are included in decisions
- Facilitate open discussion within your team about assumptions and reasoning that were previously implicit
- Allow you to effectively communicate what is driving your decisions to others, both internally and externally

The decision criteria you develop should test your decision for its alignment or “fit” with your intended impact and theory of change as well as help you consider the feasibility of executing on the decision for your organization.

Below is an example of one organization's intended impact (WHO, WHERE, WHAT) and theory of change (HOW), along with the related decision criteria the team created to help them keep this strategy in mind while making decisions.

After completing the steps in this toolkit, your team will have a set of criteria in place to guide decision-making.

*Example intended impact and theory of change draft:*



Example decision criteria:

## Decision criteria (example)

| CATEGORY  | CRITERIA  |
|---|---|
| <p><b>Aligned with intended impact and theory of change</b></p> | <ul style="list-style-type: none"> <li>• <b>Serves our community</b> (≥90% of participants meet at least one criteria)               <ul style="list-style-type: none"> <li>– Black and Latinx families under 200% of the federal poverty line in our 3-county area</li> <li>– Families experiencing housing instability in our 3-county area</li> </ul> </li> <li>• <b>Activities align</b> with our approach and “secret sauce”               <ul style="list-style-type: none"> <li>– Based on <b>anti-racist principles</b> and <b>addresses systemic racism</b></li> <li>– Helps <b>develop leaders</b> within our community</li> <li>– Focused on our key <b>issue areas</b>: housing stability, economic mobility, and youth empowerment</li> </ul> </li> <li>• Successfully achieves clearly defined <b>program outcomes</b></li> </ul> |
| <p><b>Financial sustainability</b></p>                          | <ul style="list-style-type: none"> <li>• <b>Net financial contribution</b> is positive (e.g. covers all direct costs plus proportional overhead)</li> <li>• Funding is <b>renewable</b> and <b>sustainable</b> (e.g. aligns with private/public funder trends, individual streams are reliable with high potential for renewal, etc.)</li> </ul>  |
| <p><b>Operationally viable</b></p>                              | <ul style="list-style-type: none"> <li>• Fits with <b>staff skills and expertise</b> (e.g. staff or existing talent pipeline is capable of delivering on theory or change)</li> <li>• Feasible with available <b>staff time/capacity</b> (e.g. staff time reallocation or outsourcing to support) and fully covers any expansion costs</li> <li>• Leverages <b>existing infrastructure</b> (e.g. facilities, equipment, back end systems, etc.) or fully covers expansion costs</li> </ul>  |
| <p><b>Organizational benefits/risks</b></p>                     | <ul style="list-style-type: none"> <li>• <b>Strong fit</b> with other organizational programs and activities</li> <li>• Organizational <b>risks are low</b> (e.g. legal risk, reputational risk, risk to existing relationships, etc.)</li> </ul>   |

# Step 1: Consider moments where you might use decision criteria at your organization

We find that deliberately reviewing criteria grounded in your intended impact and theory of change when making decisions can be helpful in ensuring you are staying true to your strategy and impact goals.

To ensure the decision criteria you develop are as helpful as possible, we ask you to begin by reflecting on *why* you are taking this toolkit on, and to consider the moments where you might use decision criteria in practice.

These moments could include:

- Making decisions about whether or not to pursue a new program opportunity.
- Determining what activities you should prioritize going forward.
- Identifying ways to improve what you do today.

Different types of decisions may demand elevating different criteria. As an example, you may be likely to elevate criteria related to financial sustainability and start-up costs when deciding to take on a new opportunity, whereas startup costs are unlikely to play a role when making decisions about existing programs (but maybe sunset costs will!)

This toolkit will guide you toward developing decision criteria for the *most pressing* types of decisions your organization needs to make in the short term. You might customize them further if later decisions demand slightly different considerations.

The first activity in this toolkit builds on the discussion you began during the Milestone 5 Team Summit in the *Achieving Strategic Clarity* program. During that conversation, you identified specific decision moments and started to discuss how your draft intended impact and theory of change might inform them. You captured this information in the *Decision Moments TEMPLATE*. If you were able to make helpful progress, you may find this activity to be a relatively quick exercise to briefly revisit and confirm where you landed.

Below are activities you might complete to refine the “decision moments” you crafted in Milestone 5. They include activities for you to complete as Toolkit Lead and options for how you might engage your broader team—if you think that makes sense for your organization and context.

## Step 1 activity: Refine example moments to use your decision criteria



### Toolkit lead activity

**Review** the moments your team identified during the Milestone 5 Team Summit and captured in the *Decision Moments TEMPLATE*. The question you asked yourself in Milestone 5 was:

- In the next year, during what important moments and/or decisions should your organization reference its intended impact and theory of change?

**Reflect** on the following questions and **make updates** to this document:

- Have any new opportunities surfaced for your organization to consider?
- Have there been changes to your operating context that might imply needing to make decisions?

Once you have completed this individual exercise, you can choose to engage your team.

**RESOURCE:** Make edits directly to your existing template, or use the blank version provided on the next page to capture updates. For a writable, digital version, click [HERE](#).



### Team activity

*If you would like to engage your team...*

Share the Step 1 content with your team and ask team members to complete the Toolkit Lead activity using the provided template. Share and discuss your responses during a meeting or through an online platform, like a Google Doc.





# Decision moments TEMPLATE

| In the next year, during what important moments and/or decisions should your organization reference its intended impact and theory of change? |  |
|---|--|
| Moment and/or decision  | How would you use your intended impact and theory of change draft to improve your decision-making? |
|   |  |
|   |  |
|   |  |



## Step 2: Review example criteria and identify a starter list to customize for your organization

During this step, we'll help you understand common types of decision criteria and share examples from other organizations. Then we'll ask you to identify 8–10 criteria to create a starter list of decision criteria that you will customize in the next step. In our experience, it is efficient and effective to build on criteria that others have developed.

In Milestones 2 and 4 of the *Achieving Strategic Clarity* program, you pressure tested your intended impact and theory of change drafts. In Milestone 2, this included asking questions about the need, fit, feasibility, and focus of your target impact (WHO, WHERE and WHAT). In Milestone 4, this included asking tough questions about HOW you achieve this intended impact and considering the effectiveness, efficiency, and feasibility of your approach.

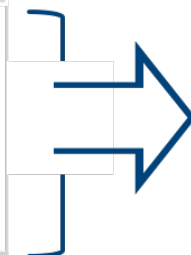
Similarly, your decision criteria will pressure test new opportunities or existing programs to see if they've met the same high bar. We've found that most organizations use criteria that evaluate performance or potential opportunities across four categories:

- **Alignment with intended impact and theory of change:** Does your current reality or the ambitions of a new opportunity fit with the WHO, WHERE, WHAT, and HOW you defined in your intended impact and theory of change?
- **Financial sustainability:** Are existing or future activities financially sustainable in the immediate and longer term?
- **Operational viability:** Can you feasibly execute as an organization on existing or future activities to deliver your target impact?
- **Organizational benefits and risks:** Are there significant upsides or downsides related to your organization's reputation, relationships, or legal standing that should be considered?

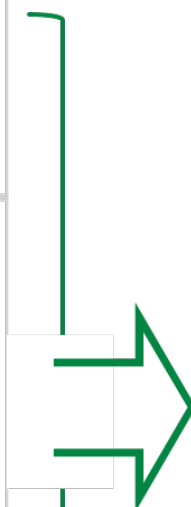
On the next page you can view example criteria aligned to each of these common categories. We recommend that organizations focus on only 10 or fewer criteria because it enables them to deeply evaluate a few key factors rather than do a cursory scan over more. It can be particularly helpful to consider your identified decision moments and which criteria might be most helpful in differentiating across future or current activities.

# Example decision criteria

| CATEGORY   | SAMPLE SHARED CRITERIA   |
|--|--|
| <b>Aligned with intended impact and theory of change</b> | <ul style="list-style-type: none"> <li>• <b>Who:</b> Strengthens target constituents/clients</li> <li>• <b>What:</b> Addresses a critical community need <i>and</i> achieves target outcomes</li> <li>• <b>How:</b> Aligns with core activities, approaches, values and beliefs (builds on our "secret sauce")</li> </ul>  |
| <b>Financially sustainable</b>                           | <ul style="list-style-type: none"> <li>• Can cover fully loaded program costs</li> <li>• Can be sustainably funded with mostly renewable sources</li> <li>• Cost per outcome is reasonable</li> <li>• Utilization rate is high</li> </ul>  |
| <b>Operationally viable</b>                              | <ul style="list-style-type: none"> <li>• Fits with staff skills and expertise; talent pipeline is strong</li> <li>• Feasible within available staff time/capacity</li> <li>• Leverages existing infrastructure</li> <li>• Relationships with partner organizations are strong</li> <li>• Scalable</li> <li>• Policy environment is supportive</li> </ul>   |
| <b>Organizational benefits/risks</b>                     | <ul style="list-style-type: none"> <li>• Strong fit with other organizational programs and activities</li> <li>• Clear and unique leadership role for organization</li> <li>• Aligned with our capabilities and local market position (e.g. does not duplicate strong programs from other orgs)</li> <li>• Organizational risks are low (reputation, relationships, legal)</li> <li>• Gives access to other high impact opportunities</li> </ul> |



**Highly variable between nonprofits:**  
Invest time in customizing and aligning as a team



**More consistent across nonprofits:**  
Select the limited few that are highest priority and customize if needed

Below you'll find some additional examples of sample criteria that were prioritized for a few different organizations. It's important to note that, as currently written, many of the criteria you'll see are too generic to be useful. That's okay for now! Once you've prioritized a shorter list of criteria, the next step will be customizing this list to make sure they have the "teeth" needed to be useful in informing decision-making.

## Community Launch: Initial selected criteria



| CATEGORY  | CRITERIA   |
|---|--|
| Aligned with intended impact and theory of change | <ul style="list-style-type: none"> <li>Serves our community</li> <li>Based on <b>anti-racist principles</b> and <b>addresses systemic racism</b></li> <li>Focused on our key <b>issue areas</b>: housing stability, economic mobility, and youth empowerment</li> <li>Successfully achieves clearly defined <b>program outcomes</b></li> </ul> |
| Financially sustainable                           | <ul style="list-style-type: none"> <li><b>Net financial contribution</b> is positive</li> <li>Funding is <b>renewable</b> and <b>sustainable</b></li> </ul>  |
| Operationally viable                              | <ul style="list-style-type: none"> <li>Fits with <b>staff skills and expertise</b></li> <li>Feasible within available <b>staff time/capacity</b> (or fully covers expansion costs)</li> <li>Leverages <b>existing infrastructure</b> and facilities (or fully covers expansion costs)</li> </ul>   |
| Organizational benefits/risks                     | <ul style="list-style-type: none"> <li><b>Strong fit</b> with other organizational programs and activities</li> <li>Organizational <b>risks are low</b> (legal, reputational, relationships, etc.)</li> </ul>  |

## TechUp: Initial selected criteria

| CATEGORY  | CRITERIA   |
|---|--|
| Aligned with intended impact and theory of change | <ul style="list-style-type: none"> <li>Serves our <b>target population</b></li> <li>Successfully achieves clearly defined <b>program outcomes</b></li> <li><b>Activities align</b> with our approach and "secret sauce"</li> </ul>   |
| Financially sustainable                           | <ul style="list-style-type: none"> <li><b>Net financial contribution</b> is positive (short term)</li> <li>Funding is <b>renewable</b> and <b>sustainable</b> (long term)</li> </ul>   |
| Operationally viable                              | <ul style="list-style-type: none"> <li>Partner is <b>credible</b> and <b>capable</b> (personnel/infrastructure) of delivering our programming</li> <li>Partner will <b>recruit participants</b></li> <li>Feasible within available <b>staff time/capacity</b> (or fully covers expansion costs)</li> <li>Leverages <b>existing programming</b> (or covers customization costs)</li> <li>Fits with <b>staff skills and expertise</b></li> </ul> |

*TechUp defined several high level criteria related to partner selection given several urgent partnership decisions*

## Step 2 activity: Identify starter criteria to customize for your organization

|   |  |
|---|--|
|  <p><b>Toolkit lead activity</b></p> | <p><b>Review</b> the sample shared criteria and examples of those criteria prioritized by other organizations.</p> <p><b>Identify</b> 8–10 criteria from these sources you think might be most relevant for your organization.</p> <p><b>RESOURCE:</b> Identify starter criteria using the blank template provided on the next page. For a writable, digital version, click <a href="#">HERE</a>.</p>  |
|  <p><b>Team activity</b></p>         | <p><i>If you would like to engage your team...</i></p> <p><b>Share</b> the Step 2 content and examples from other organizations with your team and ask them to complete the Toolkit Lead activity. They can share their prioritized examples during a meeting or through an online platform, like a Google Doc.</p> <p><b>Aggregate</b> the recommendations, grouping similar criteria together as appropriate.</p> <p><b>Vote</b> or use an alternative process to limit to a subset of 10 or fewer criteria.</p> |

# Decision criteria starter list

| CATEGORY  | SELECT? | SAMPLE SHARED CRITERIA  |
|---|---------|---|
| Aligned with intended impact and theory of change |         | <ul style="list-style-type: none"> <li>• <b>Who:</b> Strengthens target constituents/clients</li> </ul>   |
|   |         | <ul style="list-style-type: none"> <li>• <b>What:</b> Addresses a critical community need <i>and</i> achieves target outcomes</li> </ul>                              |
|   |         | <ul style="list-style-type: none"> <li>• <b>How:</b> Aligns with core activities, approaches, values and beliefs (builds on our "secret sauce")</li> </ul>            |
|   |         |   |
| Financially sustainable                           |         | <ul style="list-style-type: none"> <li>• Can cover fully loaded program costs</li> </ul>  |
|   |         | <ul style="list-style-type: none"> <li>• Can be sustainably funded with mostly renewable sources</li> </ul>   |
|   |         | <ul style="list-style-type: none"> <li>• Cost per outcome is reasonable</li> </ul>  |
|   |         | <ul style="list-style-type: none"> <li>• Utilization rate is high</li> </ul>  |
| Operationally viable                              |         | <ul style="list-style-type: none"> <li>• Fits with staff skills and expertise; talent pipeline is strong</li> </ul>   |
|   |         | <ul style="list-style-type: none"> <li>• Feasible within available staff time/capacity</li> </ul>   |
|   |         | <ul style="list-style-type: none"> <li>• Leverages existing infrastructure</li> </ul>   |
|   |         | <ul style="list-style-type: none"> <li>• Relationships with partner organizations are strong</li> </ul>   |
|   |         | <ul style="list-style-type: none"> <li>• Scalable</li> </ul>  |
|   |         | <ul style="list-style-type: none"> <li>• Policy environment is supportive</li> </ul>  |
| Organizational benefits/risks                     |         | <ul style="list-style-type: none"> <li>• Strong fit with other organizational programs and activities</li> </ul>  |
|   |         | <ul style="list-style-type: none"> <li>• Clear and unique leadership role for organization</li> </ul>   |
|   |         | <ul style="list-style-type: none"> <li>• Aligned with our capabilities and local market position (e.g. does not duplicate strong programs from other orgs)</li> </ul> |
|   |         | <ul style="list-style-type: none"> <li>• Organizational risks are low (reputation, relationships, legal)</li> </ul>   |
|   |         | <ul style="list-style-type: none"> <li>• Gives access to other high impact opportunities</li> </ul>   |





## Step 3: Customize your own decision criteria

As we’ve noted, the criteria listed above are generic and thus relatively open to interpretation. For them to hold meaning and have “teeth” for your organization when it is weighing a decision, you need to be specific about what “good” looks like to your organization for each criterion.

Some organizations choose to take their criteria one step further and articulate a scoring rubric for each criterion. There are instances where this detail can be valuable in adding precision to assessing a current program or new opportunity, especially if there is a high volume of assessments that need to be made and more differentiation is needed. But in most instances, a rubric is a “nice to have” vs. a “need to have.”

It’s important to remember that the process of customizing criteria—and evaluating against criteria—requires judgment! Criteria won’t take all the subjectivity out of the equation, and you are going to use these criteria in slightly different ways depending on the types of decisions you will be making. But they do help you see trade-offs and home in on those aspects of a decision that are worth more discussion as team.

Organizations typically invest the most in getting agreement on what it means to “align with their intended impact and theory of change” and customizing these decision criteria. These organizations then identify a few criteria related to financial sustainability, operational viability, organizational benefits and risks that are the highest priority to consider.

How have organizations customized generic sample criteria for their own use? See two examples of how organizations customized criteria to define “what good looks like.”

### Community Launch: Customized criteria

| CATEGORY  | CRITERIA  |
|---|---|
| Aligned with intended impact and theory of change | <ul style="list-style-type: none"> <li>• <b>Serves our community</b> (≥90% of participants meet at least one criteria)               <ul style="list-style-type: none"> <li>– Black and Latinx families under 200% of the federal poverty line in our 3-county area</li> <li>– Families experiencing housing instability in our 3-county area</li> </ul> </li> <li>• <b>Activities align</b> with our approach and “secret sauce”               <ul style="list-style-type: none"> <li>– Based on <b>anti-racist principles</b> and <b>addresses systemic racism</b></li> <li>– Helps <b>develop leaders</b> within our community</li> <li>– Focused on our <b>key issue areas</b>: housing stability, economic mobility, and youth empowerment</li> </ul> </li> <li>• Successfully achieves clearly defined <b>program outcomes</b></li> </ul> |
| Financial sustainability                          | <ul style="list-style-type: none"> <li>• <b>Net financial contribution</b> is positive (e.g. covers all direct costs plus proportional overhead)</li> <li>• Funding is <b>renewable</b> and <b>sustainable</b> (e.g. aligns with private/public funder trends, individual streams are reliable with high potential for renewal, etc.)</li> </ul>  |
| Operationally viable                              | <ul style="list-style-type: none"> <li>• Fits with <b>staff skills and expertise</b> (e.g. staff or existing talent pipeline is capable of delivering on theory or change)</li> <li>• Feasible with available <b>staff time/capacity</b> (e.g. staff time reallocation or outsourcing to support) and fully covers any expansion costs</li> <li>• Leverages <b>existing infrastructure</b> (e.g. facilities, equipment, back end systems, etc.) or fully covers expansion costs</li> </ul>  |
| Organizational benefits/risks                     | <ul style="list-style-type: none"> <li>• <b>Strong fit</b> with other organizational programs and activities</li> <li>• Organizational <b>risks are low</b> (e.g. legal risk, reputational risk, risk to existing relationships, etc.)</li> </ul>   |



# TechUp: Customized criteria

| CATEGORY  | HIGH LEVEL CRITERIA  | CUSTOMIZED CRITERIA   |
|---|--|---|
| Aligned with intended impact and theory of change | Serves our <b>target population</b>  | <ul style="list-style-type: none"> <li>• Unemployed or underemployed, low income, and actively seeking career</li> <li>• Population is underserved/diverse (e.g. Latin, LGBTQIA, geographically underserved)</li> <li>• Most have a high school degree or GED</li> <li>• Most are highly employable (history of maintaining job or educational experience, high soft skills, can meet requirements for target positions)</li> </ul> |
|   | Successfully achieves clearly defined <b>program outcomes</b>                          | <ul style="list-style-type: none"> <li>• Training leads to a living wage job</li> <li>• Value added to existing brand/reputation</li> </ul>   |
|   | <b>Activities align</b> with our approach and “secret sauce”                           | <ul style="list-style-type: none"> <li>• Activities align with our annual goals</li> <li>• Activities integrate with current programs</li> </ul>  |
| Financially sustainable                           | <b>Net financial contribution</b> is positive (short term)                             | <ul style="list-style-type: none"> <li>• Covers all direct costs (program staff, instructors, student materials, facilities, travel)</li> <li>• Covers indirect costs and program costs are shared proportionally to number of students to be trained (IT, data, website, program space, maintenance, communications, equipment, etc.)</li> <li>• Match percentage is low</li> </ul>  |
|   | Funding is <b>renewable</b> and <b>sustainable</b> (long term)                         | <ul style="list-style-type: none"> <li>• Funding is reliable</li> <li>• High potential for funding renewal and longer term funder relationship</li> <li>• Supported by public and private funder trends</li> </ul>  |
| Operationally viable                              | Partner is <b>credible</b> and <b>capable</b> of delivering our programming            | <ul style="list-style-type: none"> <li>• Partner is highly reliable, very responsive, and has a good reputation</li> <li>• Scores high on our site evaluation matrix (capacity, proximity to metro, instructors' comfort/safety concerns, equipment [projector, hardware, software], ADA accessible, engaged POC, target neighborhoods)</li> <li>• Offers internship or job possibilities</li> </ul>                                |
|   | Partner <b>will recruit participants</b>   | <ul style="list-style-type: none"> <li>• Partner is able and willing to recruit student participants</li> <li>• Partner will fund student recruitment</li> </ul>  |
|   | Feasible within available <b>staff time/capacity</b> (or fully covers expansion costs) | <ul style="list-style-type: none"> <li>• Staff have capacity to take on opportunity (or expansion is funded)</li> <li>• Fits with current infrastructure (e.g. physical space, network infrastructure, equipment) or expansion is funded</li> <li>• Realistic start date within current infrastructure</li> </ul>   |
|   | Leverages <b>existing programming</b> (or covers customization costs)                  | <ul style="list-style-type: none"> <li>• Funding provided for any customization needed</li> <li>• Customization/innovation effort will be used in future and is scalable</li> </ul>   |
|   | Fits with <b>staff skills and expertise</b>  | <ul style="list-style-type: none"> <li>• Fits with current staff expertise</li> <li>• Low legal risk</li> </ul>   |

One final note as you embark on this work: Don't let the perfect be the enemy of the good as you draft your criteria. There may be some criteria you're not 100 percent certain about. You'll have the opportunity to test your criteria and refine them during Step 4.

### Step 3 activity: Customize your own decision criteria

*Note: At this stage, it is critical to engage your team. Many members of your team will likely play a critical role in evaluating existing programs or new opportunities against the criteria. It is essential that team members understand and agree on how you are measuring "what good looks like" and why this is important to your decision-making. We suggest that you engage your team during this step, so we have provided guidance on how you might do that below.*

|   |  |
|---|--|
|  <p><b>"Lower touch"<br/>Team engagement activities</b></p>    | <p>For each generic criterion you identified in Step 2, <b>propose specific changes</b> to articulate how you define success.</p> <p>You should reference your intended impact and theory of change as well as other important organizational priorities and considerations as you do this. These could include priorities outlined in your strategic plan or financial management/health goals you may have set</p> <p><b>Review</b> your proposed criteria, considering the following questions:</p> <ul style="list-style-type: none"> <li>• Is each criterion clear and objective?</li> <li>• Will the criterion enable you to differentiate between options (e.g. "great" versus "good" versus "not so good," etc.)</li> </ul> <p><b>Share</b> your full draft decision criteria with your team for review and feedback during a meeting. Some places you might particularly engage your team:</p> <ul style="list-style-type: none"> <li>• Are there criteria you would prioritize in place of what's on this list?</li> <li>• Are there places where you would recommend alternative criteria or metrics?</li> </ul> <p><b>RESOURCE:</b> Use the template on the next page or click <a href="#">HERE</a> for a writable, digital version.</p> |
|  <p><b>"Higher touch"<br/>Team engagement activities</b></p> | <p><b>Share</b> Step 3 content and the starter list of criteria for customization you generated in Step 2 with your team.</p> <p><b>Assign</b> individuals or teams of two people to customize one or two specific criteria, considering some of the guidance and examples provided.</p> <p><b>Consolidate</b> your team's drafts and share with the team.</p> <p><b>Discuss</b> as a group.</p> <p><b>Review</b> your proposed criteria, considering the following questions:</p> <ul style="list-style-type: none"> <li>• Are there criteria you would prioritize in place of what's on this list?</li> <li>• Are there places where you would recommend alternative criteria or metrics?</li> <li>• Is each criterion clear and objective?</li> <li>• Will the criterion enable you to differentiate between options (e.g. "great" versus "good" versus "not so good," etc.)</li> </ul>   |



# Custom criteria template

| CATEGORY   | HIGH-LEVEL CRITERIA  | CUSTOM CRITERIA |
|--|--|-----------------|
| <b>Aligned with intended impact and theory of change</b> | <ul style="list-style-type: none"> <li>• <b>Who:</b> Strengthens target constituents/clients</li> </ul>  |                 |
|  | <ul style="list-style-type: none"> <li>• <b>What:</b> Addresses a critical community need <i>and</i> achieves target outcomes</li> </ul>                   |                 |
|  | <ul style="list-style-type: none"> <li>• <b>How:</b> Aligns with core activities, approaches, values and beliefs (builds on our "secret sauce")</li> </ul> |                 |
| <b>Financially sustainable</b>                           |  |                 |
|  |  |                 |
|  |  |                 |
| <b>Operationally viable</b>                              |  |                 |
|  |  |                 |
|  |  |                 |
| <b>Organizational benefits/risks</b>                     |  |                 |
|  |  |                 |
|  |  |                 |



## Step 4: Test your decision criteria

It can be hard to get your criteria exactly right in the abstract. The best way for you to refine your criteria is to “live into” them. You can do this by deliberately testing them during an upcoming decision or even against recent decisions you made as a leadership team.



Depending on the decision you use for testing—and how different this is from the decision moments you’ve been keeping in mind—some criteria may be more or less relevant. You will still need to use your judgement when weighing certain aspects of the decision. In all cases, what you are aiming for is a rich, productive conversation as a team, where everyone is using the same measuring stick to think about “what good looks like” and can systematically discuss trade-offs.

After you test using your criteria for a decision, you’ll reflect on what worked well and what needs to be tweaked or added to make your criteria ready to go. Most often for teams, this results in a few changes to their criteria:

- **Getting *even* more specific in the definition of the criteria** and potentially adding metrics to make statements more concrete. For example, an organization might have initially defined a financial sustainability criteria as “covering costs.” They might instead realize that this is still too vague and clarify that this actually means “covering at least 85 percent of the program’s direct and indirect costs.”
- **Adding new criteria** after identifying “edge cases” that need to be captured. For example, an organization might decide to add a criterion for preserving your organization’s brand, or for mitigating risks to your brand after encountering a partnership opportunity that could have yielded significant impact but had significant reputational risks.

Your focus during this step is on testing your criteria, but you should also keep in mind that refinement of these criteria won’t just stop! Teams who find their decision criteria most effective treat this tool as a “living document” that you continue to tweak whenever needed to best serve your team’s purposes. What is important is that you are developing the muscles that will support making more *deliberate* and *strategically aligned* decisions as an organization.

You will again need to engage your team at this step. It is vital that you test your criteria as a team and collectively agree on any changes you need to make. That said, you can make some headway individually as Toolkit Lead before engaging the team.

| <b>Step 4 activity: Test your decision criteria</b>   |   |
|---|---|
|  <p><b>Toolkit lead activity</b></p> | <p><b>Identify</b> two or three recent decisions or decisions coming up in the next six months during which you will commit to using your decision criteria.</p> <p><i>After completing this activity, you should engage your team.</i></p>   |
|  <p><b>Team activity</b></p>         | <p><b>Share</b> your two or three decisions with the team for their feedback.</p> <p><b>Agree</b> on two or three decisions—past or upcoming—which you will commit to using your decision criteria.</p> <p><b>Use</b> your decision criteria during those designated points to help structure your discussion and arrive at a decision. If you are reflecting on a recent decision, host a dedicated meeting to evaluate your decision using your criteria, reflecting on the same inputs you used when you initially made your decision.</p> <p><b>Reflect</b> on your criteria after the meeting:</p> <ul style="list-style-type: none"> <li>• Where did the criteria provide clarity and help us make our decision?</li> <li>• Where did the criteria create confusion or hold us back from efficient decision-making?</li> <li>• Are there ways we can simplify the criteria without compromising on their effectiveness?</li> </ul> <p><b>Agree</b> on refinements to your criteria.</p> |