

# HOW TO DESIGN AND RUN A **GO / NO-GO DECISION FRAMEWORK**

Go / No-go decision & Investment readiness

## WHERE THIS IS USED

- Venture Studio programs
- Corporate Incubators
- Accelerators
- CVC programs
- AI Studio escalation gates

## AUDIENCE

- CEOs
- Chiefs of Strategy
- Executive Sponsors
- Program Directors
- Investment Committee Members

## PHASE

Phase Two: Validation & Design → Phase Gate Decision (End of Phase Two, Weeks 10–12)

# 1

## EXECUTIVE SUMMARY

A Go / No-Go decision is not a presentation. It is a structured governance event with defined criteria, decision rights, and consequences. This guide provides venture programs with a framework for conducting Phase Gate reviews that produce clean, defensible decisions – not 'soft greenlights,' not 'paused' initiatives, and not decisions that can be reversed by organizational pressure.

The output is a signed Phase Gate Decision Record that formally closes Phase Two and either authorizes the team to proceed to Phase Three (Build and Launch) or defines the exact conditions under which the venture will stop.



# THE CORE PROBLEM

## Why Phase Gate Decisions Fail

- Greenlights are given based on relationship and momentum, not evidence.
- 'Hold' decisions become permanent drift – ventures persist indefinitely without clear authorization.
- Decision criteria are not defined before the review, allowing criteria to shift based on who is in the room.
- Teams present only the evidence that supports a 'Go' – contradictory data is omitted.
- In GCC organizations: hierarchical dynamics mean junior team members withhold negative data to avoid conflict.
- Stop decisions are treated as failure rather than as responsible resource reallocation.



# PREREQUISITES

- All Phase Two deliverables completed: Customer Insight Report, Problem-Solution Fit Assessment, MVP Spec, Prototype Validation Report, Business Model Health Report, Financial Projections, GTM Strategy
- Decision criteria defined and agreed before the review session (not during it)
- Decision-makers identified with clear authority levels: who can approve Go, who can approve Stop, who has veto power?
- A neutral facilitator for the review session (not the venture team)



# 4

## EXPECTED OUTPUT/ SUCCESS CRITERIA

### You Have Succeeded When:



A Phase Gate Scorecard exists with criteria defined before the review



A structured Phase Gate Review session has been conducted with all required decision-makers present



A signed Phase Gate Decision Record exists with one of three outcomes: Go (unconditional), Conditional Go (with specific conditions and timeline), Stop



All Phase Two deliverables are archived and accessible



The decision is communicated to all stakeholders within 48 hours of the review



# STEP-BY-STEP INSTRUCTIONS

## STEP 1

### DEFINE DECISION CRITERIA BEFORE THE REVIEW

- 1.1 At least 2 weeks before the Phase Gate Review, hold a criteria-setting session with decision-makers (without the venture team present).
- 1.2 Use this framework to set criteria across 5 dimensions:

DIMENSION	CRITERIA TO DEFINE
Customer Evidence	Minimum number of validated interviews, minimum Demand Signal Score, required proof of willingness to pay
Problem-Solution Fit	Minimum concept score in walkthrough sessions, minimum task completion rate in prototype testing
Business Model Viability	Minimum LTV:CAC ratio, maximum CAC payback period, required gross margin threshold
Financial Credibility	Bottom-up model required, 3 scenarios required, specific capital requirement ceiling
Strategic Alignment	Must connect to Phase One strategic challenge, must align with organization's 3-year strategy

- 1.3 Each criterion must be binary: either met or not met. Avoid subjective criteria like 'strong team' or 'exciting market.'



## STEP 2 PREPARE THE PHASE GATE EVIDENCE PACKAGE

- 2.1 Compile one summary document linking each criterion to the specific evidence that addresses it. Format:

15+ validated interviews	Guide A1 – Interview Log, Tab 1: 18 interviews completed across 3 segments
Demand Signal Score >60	Guide A3 – Demand Signal Dashboard: Priority segment average score = 74
LTV:CAC ratio >3x	Guide C1 – Unit Economics Table: LTV:CAC = 4.2x in base case scenario

- 2.2 Flag any criterion where evidence is partial or missing. Do not omit gaps – presenting them proactively builds credibility.

## STEP 3 CONDUCT THE PHASE GATE REVIEW SESSION

- 3.1 Allocate 90 minutes: 40 minutes for evidence presentation, 30 minutes for questions, 20 minutes for private deliberation.
- 3.2 The venture team presents for 40 minutes. The facilitator manages time and ensures all criteria are addressed.
- 3.3 During the 30-minute Q&A: decision-makers may only ask questions. No decisions are made during this phase.
- 3.4 The venture team leaves the room. Decision-makers deliberate for 20 minutes using the Phase Gate Scorecard.
- 3.5 The facilitator records the decision and conditions. The venture team is called back and informed of the decision directly.



**STEP 4 EXECUTE THE DECISION**

- 4.1 If **GO**: Proceed immediately to Phase Three planning. Release approved funding within 5 business days. Communicate to all stakeholders within 48 hours.
- 4.2 If **CONDITIONAL GO**: Define exact conditions, who is responsible for meeting them, and a specific deadline. If conditions are not met by the deadline, the decision automatically converts to Stop.
- 4.3 If **STOP**: Document what was learned. Archive all deliverables. Brief the team with a closure narrative: *'We stopped because we learned X, which means this opportunity is not viable under conditions Y.'*



# TROUBLESHOOTING

ISSUE	LIKELY CAUSE	FIX
Decision-makers arrive without reading the evidence package	Package sent too close to the review	Send the evidence package 5 business days before the review. Follow up 48 hours before to confirm reading.
'Conditional Go' conditions are vague	Decision-makers are uncomfortable with Stop	Require all conditions to be SMART: Specific, Measurable, Achievable, Relevant, Time-bound. Reject vague conditions.
Team disputes the Stop decision after the session	Criteria were not agreed before the review	This is why Step 1 is mandatory. Post-review disputes are governance failures, not analytical disagreements.



# CHECKLIST

## CRITERIA-SETTING (2 WEEKS BEFORE REVIEW)

- Criteria-setting session held with decision-makers only – venture team not present
- Criteria defined across all 5 dimensions: Customer Evidence, Problem-Solution Fit, Business Model Viability, Financial Credibility, Strategic Alignment
- Every criterion is binary: either met or not met – no subjective criteria permitted
- Pass threshold defined for each criterion before the review session
- Decision-makers identified with clear authority: who can approve Go, who can approve Stop, who holds veto power
- A neutral facilitator assigned – not a member of the venture team

## EVIDENCE PACKAGE PREPARATION

- All Phase Two deliverables completed and compiled: Customer Insight Report, Problem-Solution Fit Assessment, MVP Spec, Prototype Validation Report, Business Model Health Report, Financial Projections, GTM Strategy
- Phase Gate Evidence Package produced: one document linking each criterion to its specific evidence with document reference
- Evidence gaps identified and disclosed proactively – omitting gaps destroys credibility
- Evidence Package sent to all decision-makers 5 business days before the review
- Follow-up sent 48 hours before the review to confirm all decision-makers have read the package

## THE REVIEW SESSION

- All required decision-makers confirmed present before the session begins
- 90-minute structure followed: 40 minutes evidence presentation, 30 minutes Q&A, 20 minutes private deliberation
- Venture team presents only during the 40-minute presentation slot
- During Q&A: decision-makers ask questions only – no decisions made during this phase
- Venture team leaves the room for the 20-minute deliberation
- Facilitator records the decision using the Phase Gate Scorecard
- Venture team recalled and informed of the decision directly in the room

## EXECUTING THE DECISION

- If GO: funding released within 5 business days, Phase Three planning begins immediately
- If CONDITIONAL GO: conditions are SMART (Specific, Measurable, Achievable, Relevant, Time-bound) – no vague conditions accepted
- If CONDITIONAL GO: deadline set; if conditions not met by deadline, decision automatically converts to Stop
- If STOP: closure narrative written – what was learned and why the opportunity is not viable under current conditions
- Phase Gate Decision Record signed by all decision-makers
- Decision communicated to all stakeholders within 48 hours
- All Phase Two deliverables archived and accessible

