Making Better Decisions: Multi-Criteria Analysis to Improve Decision Making and Increase Transparency
Introductions

What are your course objectives?
Introduction to Multi-criteria Analysis
LEDS and Multi-criteria Analysis (MCA)

• A goal of LEDS is to achieve social, economic, and environmental values while reducing long-term greenhouse gas emissions and increasing resiliency to climate change impacts.

• A challenge of LEDS is how to simultaneously advance these sometimes competing objectives.

• MCA can assist in this process to guide decision making and increase transparency.
Learning Objectives

- Introduction to MCA
- Introduction to triple bottom line
- Benefits of MCA
- MCA steps
What is MCA?

- A method for evaluating options when there are multiple important objectives
How does MCA work?

- MCA uses information from participants to **score**, **rate**, and **rank** different options
MCA breaks a decision down into many parts
Introduction to MCA

decision

values
Why use MCA?

- To provide a **clear and transparent** process to guide decision making

- To allow several objectives to be evaluated on **equal footing**….

  - Useful when everything that is important about a decision **cannot** be measured in the same way

  - Can consider other important objectives besides money
Why use MCA?

• To organize your options

  ♦ Select a (one) preferred option
  ♦ Rank a set of options from most to least preferred
  ♦ Develop a short list of options for further consideration
  ♦ Determine whether options are acceptable to other people/stakeholders
To integrate with triple bottom line (TBL)
Definition

Triple Bottom Line Valuation:

Accounting system that includes economic, social, and environmental performance
Sustainable Development meets the needs of the present without compromising the ability of future generations to meet their own needs.

“The capacity to endure.”
Benefits of MCA

- Encourages review of one’s own values and tradeoffs
- Provides defensible outcomes
- Evaluates options systematically and transparently
- Provides a process for making informed judgment
- Enhances learning about the priorities of others
- Reduces conflicts and improves sustainability of outcomes
Connection between MCA and TBL for decision making

- TBL helps make clear the value of an option for environmental, economic, and social objectives

- MCA can then be used to incorporate that value into decision making
Benefits of MCA

For LEDS

- Consideration of the different values of development strategies

- Engages stakeholders in the process of developing options

- Enables participants to learn about their own preferences and tradeoffs

- Allows participants to learn about the preferences and tradeoffs of others

- Integrates economic, environmental, and social objectives of sustainable development
MCA can guide decision making related to LEDS

• LEDS emphasizes the importance of achieving environmental, economic, and social objectives as part of sustainable development goals

• Guidance is needed to make decisions that give equal consideration to these different objectives

• MCA helps decision makers understand tradeoffs…
  - Within an objective
  - Across objectives
MCA can guide decision making related to LEDS (cont.)

- There is often not time, resources, or money to do everything that is important

- MCA methods help to prioritize actions and guide decisions when we cannot do everything we should do

- MCA provides a clear and transparent process to incorporate stakeholder preferences into decision making
Establish the decision context
Identify objectives, options, and components
Develop measures and outcomes
Score
Weight
Calculate Total Scores
Analyze the results