

NICHE-SEARCH

WORKSHEET 4 OF 9

# BATNA Construction Worksheet — High-Stakes Contract

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*For negotiations where the annual contract value exceeds \$30,000 or where the vendor supplies a category with no short-notice replacement. Complete at least two weeks before the renegotiation meeting.*



Complementary worksheet for  
*Vendor Negotiation Playbook*  
by Ibrahim Anwar



## What This Is For

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A BATNA that has not been priced is not a BATNA. It is a bluff. And experienced vendors test it. This worksheet exists to close the gap between knowing that alternative vendors exist and actually having a qualified, recently-priced alternative that can be executed if the current negotiation fails.

The trigger is any contract above \$30,000 per year where your production, delivery, or service would be materially disrupted if supply stopped within 30 days. For those categories, a phantom BATNA — a vendor name from memory that has never been formally contacted or priced — is not a negotiating asset. It is a liability that will cost you the moment pressure is applied at the table. This worksheet forces the qualification work before the meeting, not at it.

# Benefits

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What you get when you actually run this worksheet on a real situation:

- Turns BATNA from a negotiating concept into a concrete, executable alternative with a real price and a real contact date.
- Identifies which product categories have the weakest BATNA, so preparation effort goes to the highest-risk gaps first.
- Produces the price reference data needed to anchor an opening position without bluffing.
- Forces the 'spec fit verified' check that most operators skip — a quote from a vendor who cannot actually meet the specification is not a BATNA.
- Sets a refresh date for each category, so the BATNA does not go stale and become a phantom between negotiation cycles.

## Framework To Use

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### — BATNA Readiness Grid

*A three-column evaluation of BATNA strength across your top product categories, showing where gaps must be resolved before any renegotiation meeting.*

<b>STRONG BATNA</b>	<b>WEAK BATNA</b>	<b>NO BATNA</b>
<p>Alternative vendor identified, RFQ received within 6 months, specification fit confirmed, price within 10% of active contract. You can execute within 30 days.</p>	<p>Vendor name known but not contacted, or quote exists but is over 6 months old, or spec fit not verified. Do not use as leverage — it will be tested.</p>	<p>No alternative vendor identified for this category. This is the riskiest situation. Resolve before any renegotiation meeting — at minimum, identify and contact two candidates.</p>

## How To Use

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Follow these steps in order. Each one builds on the previous.

- 1** List the three product categories with the highest annual purchase value. These are the BATNA gaps that matter most.
- 2** For each category, identify at least two alternative vendor candidates. Use B2B platforms (IndoTrading, Ralali), industry association directories, and referrals from other operators in the same sector.
- 3** Send a formal RFQ to two vendors per category. The RFQ needs the product specification, required monthly volume, expected lead time, and delivery location. Record the date sent.
- 4** When quotes arrive, record: price per unit, MOQ, lead time, and whether the specification fit was confirmed. Do not mark 'spec fit verified' until you have compared the quote to your actual product specification in writing.
- 5** Calculate the percentage gap between the alternative quote and your active contract price. A quote 8% below the active contract is a reference point — not necessarily a switching trigger.
- 6** Set a refresh date for each category — maximum 6 months from the RFQ date. A quote older than 6 months is not a current market reference.
- 7** Identify the category with the weakest BATNA. Resolve that gap before any renegotiation meeting in that category.

## Example Use

*A Central Java construction materials distributor buys light steel profiles from a single vendor at \$0.85 per kg, with \$15,600 in monthly purchases (\$187,200 per year). Prices have increased 7%, 5%, and 8% in the past three years. The purchasing manager has never sent an RFQ to an alternative vendor.*

The purchasing manager spends one day identifying alternative vendors at an industry trade exhibition catalog and two referrals from a business community group. She identifies three candidates: PT Baja Nusantara (Semarang), CV Profil Baja Jaya (Bekasi), and PT Mitra Baja Indo (Surabaya).

She sends RFQs to the two closest in terms of logistics: PT Baja Nusantara and CV Profil Baja Jaya. The RFQ specifies the profile dimensions, yield strength requirement, monthly volume of 18,000 kg, and 5-day maximum lead time.

Results after one week:

PT Baja Nusantara: \$0.78/kg, MOQ 5,000 kg, 4-day lead time, spec fit confirmed on 2 of 3 requested profiles.

CV Profil Baja Jaya: \$0.81/kg, MOQ 3,000 kg, 6-day lead time (one day over requirement), spec fit confirmed on all 3 profiles.

Gap vs active contract (\$0.85): PT Baja Nusantara is 8.2% cheaper; CV Profil Baja Jaya is 4.7% cheaper.

The BATNA is now real. At the next renegotiation meeting, when the active vendor proposes another price increase, the purchasing manager says calmly: "We ran a market survey last month and received reference prices from two vendors for the same specification. The gap is 4.7% to 8.2% below our current contract rate. We would like to discuss the current rate before committing to any increase." The vendor offers a 2% reduction in the same meeting — the first price movement in three years of meetings that had ended with "this is the best price we can offer."

# The Worksheet

Tear this out, copy it onto a fresh sheet, or fill it in directly.

## BATNA Construction Worksheet — High-Stakes Contract

For negotiations where the annual contract value exceeds \$30,000 or where the vendor supplies a category with no short-notice replacement. Complete at least two weeks before the renegotiation meeting.

STEP	CATEGORY A — HIGHEST VALUE (\$)	CATEGORY B (\$)	CATEGORY C (\$)
Annual contract value (\$)			
1. Alternative vendor #1 — name			
1. Alternative vendor #2 — name			
2. RFQ sent date — vendor #1			
2. RFQ sent date — vendor #2			
2. Quoted price — vendor #1 (\$/unit)			
2. Quoted price — vendor #2 (\$/unit)			
2. MOQ — vendor #1			
2. Lead time — vendor #1 (days)			
2. Spec fit verified? — vendor #1 (Y/N)			
2. Spec fit verified? — vendor #2 (Y/N)			
3. % gap vs active contract — best alternative			
4. BATNA strength: Strong / Weak / None			
5. Refresh date (max 6 months from RFQ)			

## Reflection Prompts

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*After filling in the worksheet on the previous page, work through these.*

1. For each category: is the best alternative quote better than, equal to, or worse than the active contract price? A quote 8% below the active contract does not require switching — it requires stating calmly that a market survey was run. The vendor does not need to know whether you intend to act on it.

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2. Which category has the weakest BATNA (no qualified alternative, no recent quote, or spec not verified)? Resolve that gap before any renegotiation meeting in that category. A phantom BATNA — a vendor name that has never been contacted or priced — is worse than no BATNA. It damages your credibility in every meeting that follows when the bluff is called.

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# Tips and Traps

## TIPS

- Run the BATNA construction process for one new category per month, not all categories at once. Three categories, two alternatives each, RFQs sent — that is roughly 6–8 hours per quarter. Against the value recoverable from better-informed negotiations, that is a small number.
- Do not announce your BATNA unprovoked. Use it as a compass for knowing when to hold and when to walk away. The posture of someone who knows they have options is different from the posture of someone who has none — and experienced vendors read that difference.
- Keep all RFQ responses in a dedicated folder per product category, with the date received. Two years of archived quotes is a market reference database that competitors without this habit cannot match.
- Contact alternative vendors even when you have no intention of switching. Professional vendors do not interpret periodic RFQs as a threat. They interpret them as evidence that you are a serious, process-driven buyer.

## TRAPS

- Citing a BATNA vendor in a negotiation that you have not actually contacted. If the vendor asks 'who quoted you that price?' and you cannot name the vendor and the date, you lose credibility instantly.
- Using a quote that is more than 6 months old as a negotiating reference. Market conditions change. A quote that was 8% below the active contract 8 months ago may now be at parity or higher.
- Marking 'spec fit verified' without actually comparing the alternative vendor's product specification to your requirement in writing. A cheaper vendor who cannot meet the specification is not a BATNA — it is a production risk.
- Treating BATNA construction as a one-time project rather than a 6-month refresh cycle. The value of a maintained BATNA compound over years; a one-time exercise decays quickly.

# Appendixes

## Appendix A – Minimal RFQ Template (One Page)

Subject: Request for Quotation – [Product Category], [Your Company Name]

Dear [Contact Name],

We are reviewing our procurement sources for [product category] and would like a quotation from your company.

Specification:

Product : [name and description]  
Key parameter: [dimension / grade / composition as applicable]  
Monthly volume: [quantity and unit]  
Lead time required: [X] business days from PO to delivery  
Delivery location: [city / warehouse address]

Please provide:

1. Unit price for the indicated volume
2. Minimum order quantity (MOQ)
3. Standard payment terms
4. Earliest available delivery date for a first order
5. Confirmation that the specification above can be met

Please reply by [date – 5 business days from this email].

[Your name, title, company, contact number]

--- filing note ---

File this email + vendor response in:

/vendors/[category]/batna-rfqs/[vendor-name]-[YYYY-MM].pdf

## **Appendix B – BATNA Strength Decision Rules**

Strong BATNA (use as negotiation reference):

- RFQ sent and response received within past 6 months
- Specification fit confirmed in writing (not assumed)
- Price within 15% of active contract (better or worse)
- Vendor has confirmed capacity for required volume
- Lead time meets your operational requirement

Weak BATNA (do not cite; resolve first):

- Vendor identified but not contacted
- Quote received but older than 6 months
- Specification fit not confirmed
- Vendor cannot meet full required volume
- Lead time exceeds your operational requirement

No BATNA (resolve before any meeting in this category):

- No alternative vendor identified
  - Only one vendor in the market for this spec
- Immediate action: identify 2 candidates from B2B platforms + industry association directories.  
Contact within this month. Do not enter renegotiation for this category until at least one quote is in hand.



WHERE THIS WORKSHEET COMES FROM

# Vendor Negotiation Playbook

*The First Price Quoted Is Not the Best Price Available*

by Ibrahim Anwar

This worksheet is one of nine in the *Vendor Negotiation Playbook* companion worksheet pack. The full pack is grouped into three categories: high-volume worksheets you can run weekly, niche-search worksheets for rare but high-value situations, and specific-case worksheets that walk you through a single concrete scenario.

Every framework, decision filter, and figure used in these worksheets is drawn from the chapters of the source book. The book sets the diagnosis, the worksheets give you the form to act on it.

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Read the source book on Google Play Books:

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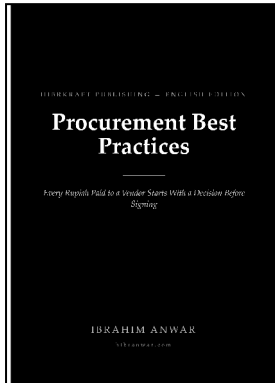
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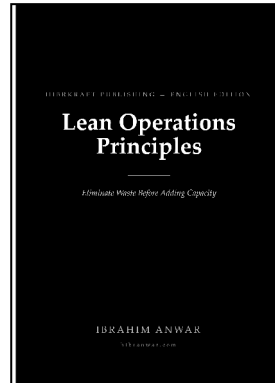


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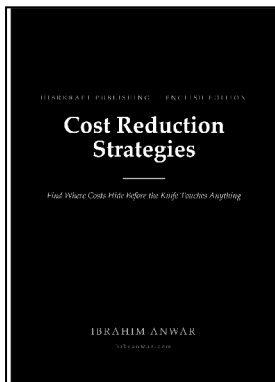


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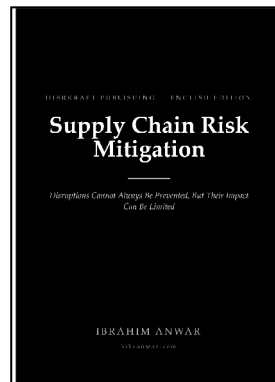


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