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Introduction

Despite strong evidence of substantial impact on the bottom line, most companies counter-intuitively neglect the pricing function. Results demonstrate that four factors (pricing capabilities, delegation of pricing authority, incentive and goal systems, and knowledge before negotiation) positively and influence sales collective confidence associated with pricing.

Pricing can have an impact on the profit performance of firms when managed with strategic intention. But pricing is also a complex function for organizations to manage and to operationalize, especially in the area of pricing execution when the sales force faces customers in the marketplace.

Development of perceived confidence

The dependent variables (pricing capabilities, delegation of pricing authority, incentive and goal systems, and knowledge before negotiation) play a critical role in the development of the level of perceived confidence as a team to deploy and execute pricing programs and actions.

Confidence is a can do-attitude that can make or break change programs in organizations. Confidence in pricing is an essential organizational characteristic that allows teams to take on tough challenges, transform their sales and pricing practices, and show resilience in the face of potential customer rejection.

Managerial implications

The results of this study support the proposition that a unique organizational design for the pricing function (emphasizing capabilities, confidence, and knowledge) leads to greater firm performance.

The study demonstrates the need for firms to raise the profile of their pricing function and to intentionally adopt pricing strategies that may increase internal organizational efficacy. The role of executives in the corporate suite is essential to the design and sustainable implementation of a pricing orientation. Top executives will need to pay more attention to pricing, develop a pricing vision, and create a distinctive organizational architecture for pricing. By investing in the development of pricing capabilities that generate a sustainable and inimitable competitive advantage, champions of pricing forge a shared vision, a collective can do-mentality, and a sense of collective resilience in the sales team that lead to superior levels of organizational efficacy and superior outcomes.

The findings suggest that leaders in firms who design purposeful strategies and programs to boost collective confidence in their sales and account management teams can achieve significantly greater firm performance. The unique combination of the organizational elements related to pricing explored in the research (capabilities, delegation of pricing authority, incentive and goal systems, and knowledge before negotiation) might be able
to create a higher level of comfort and confidence in the pricing function and pricing activities for those in account management roles.

**Conclusion**

Establishing a confident climate for sales and account management to address this complexity might lead to greater performance outcomes. Therefore, the author conjecture that the development and the deployment of unique intellectual capital in pricing, also characterized as brain ware, throughout the organization, creates superior pricing intelligence that leads to superior firm performance.

The research findings suggest that commercial leaders and top executives should focus more on the notion of collective confidence when designing organizational development and people management programs. Traditional programs are focused on the development of the individual efficacy and self-esteem levels of individual sales professionals.

Another approach might integrate programs and activities to boost collective confidence of account management teams. These programs might include specific incentive and reward programs, unique training and coaching sessions, compelling communication tactics to celebrate wins and promote success stories, and charismatic leadership from the C-suite.