

# CPP Case Study: An Organization's Increasing Respect for the Pricing Discipline

*The PPS Certified Pricing Professional (CPP) designation sets the industry standard for advanced pricing knowledge in the business community. Recently, many of our CPP graduates took the time to give us their feedback concerning the benefits of achieving the CPP designation and to explain how pursuing professional development and continuing education has helped them to develop the pricing discipline within their organizations. This case study focuses on Robert D. Smith, CPP, Director of Corporate Pricing at Eastman Chemical Company.*

## Before CPP:

**R**obert D. Smith, CPP, is Director of Corporate Pricing at Eastman Chemical Company.

Smith has been an active member of the Professional Pricing Society since before the creation of the Certified Pricing Professional certification program. Before entering CPP training, Smith had been working on focused pricing within Eastman Chemical Company for several years as he had been asked to launch a pilot within the company that was focused on pricing management.

"I was actually in the beta group for the CPP program," Smith says. "I had been attending PPS for awhile and taking the

training workshops for a few years, and then heard at one of the meetings that they were going to take the workshops and merge them into a certification program."

Although Smith had been exposed to pricing through PPS and in his daily pricing work, he still lacked some of the specific knowledge and tactics necessary for developing the effective and structured pricing system he had envisioned for his team.

**"One of the pricing challenges we were facing was understanding how to do our pricing work well,"** says Smith. "What are the appropriate ways to do pricing analytics? What is the best way to conduct pricing research? There are areas of pricing that may not be intuitively obvious to everyone. Also, beyond just pricing correctly, I wanted my pricing department to work effectively. Convincing management and others within the organization about the importance of pricing is just as important as learning to do the work effectively. There are known and proven ways to do these things and PPS helped establish those for me."

Smith realized the benefits of applying proven pricing techniques and methods within his company and, because of his experience with PPS resources and training, made the decision to enter the CPP program.

## CPP Experience

Smith became one of the first students to take and successfully complete the PPS CPP certification program, gaining his CPP certification in 2007.

**Smith cites many personal and profes-**

**sional benefits of the program, including the certification's reinforcement of pricing as a respected discipline within Eastman and among his colleagues.**

"First of all, the program helped to build my confidence in things I already knew, and confirmed and verified many of the pricing principles and systems we were already enacting at Eastman," says Smith. "The program also gave me exposure to important areas I wasn't familiar with, such as pricing research and pricing in other industries, and helped me determine how to apply those methods to the work we are doing at Eastman. **The CPP program has helped establish in the minds of people within my company that there is a high level of competency that we want people to aspire to in the pricing world.**"

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In addition to the classroom instruction and materials developed by some of the industry's leading thinkers, the CPP certification program also provides a forum for discussion and idea exchange for pricers in myriad industries. According to Smith, this exposure and dialogue provided invaluable perspective and fresh ideas which he was able to apply to pricing operations at Eastman.

**"In general, my best experience in the CPP program was the ongoing expo-**

sure to ideas and experiences of other people that are outside of my everyday world,” Smith explains. “When I am working in Eastman, I am in a very tightly defined environment that is engaging in similar problems day in and

parts in the workshop. Exchanging ideas and experiences helps you see how other people have dealt with and addressed issues that you may be dealing with. On the surface their situations may seem different because of their industry, but

ing leader within our company,” Smith says.

“We recently formed a Corporate Pricing function, which I lead. We just had our second CPP awarded in the company, and we currently have a couple more candidates that are close to completing the program. This level of commitment from our company demonstrates that pricing is valued within our organization, and is a measure of our seriousness about competence in our pricing practices and professionals. Pricing has become a serious career path in our company.”

Smith still uses the Professional Pricing Society as a primary source of continuing education and development in his personal career. He has also begun to develop several internal training programs for aspiring pricers within his company, and has made PPS training a key element of those programs.

“Before I found PPS and the CPP program, I felt that there weren’t many good venues for getting robust pricing training available that didn’t require contracting with a consulting firm to conduct internal training, which is very expensive,” Smith says.

“Our pricing operations at Eastman have evolved into a team of pricing professionals, and there is an ongoing need for pricing training. Because the CPP training workshops are available four times a year and online, we have the opportunity to leverage PPS training frequently. As a manager, it is beneficial for me to be able to get people plugged into training at an appropriate time. **For those who are serious about pursuing pricing as a career plan, we talk specifically about CPP as part of that plan.**”



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day out. One of the great values I find in the CPP workshops is the exchange of ideas with an instructor who has a broader range of view, particularly consultants or professors whose points of view are not constrained by a particular industry, as well as with other partici-

I find that many pricing issues are the same at the core.”

## **Results:**

“Since completing my certification, I have had the opportunity to be promoted into higher level jobs as a pric-