

# Essay on knowledge assessment

[Business](#), [Company](#)



It is difficult to accept Knowledge Management (KM) assessment methods or metrics to evaluate a firm's knowledge-based asset due to its intangible nature. One method is The Balanced Scorecard, which refers to converting business strategy into specific and quantifiable goals. Another is Economic Value Added, which refers to calculating true economic profit in order to maximize shareholders' wealth. Finally, Skandia Navigator evaluates soft assets and management reporting system in order to develop measures to demonstrate intangible assets.

According to Dr. Kevin C. Desouza, KM measurement has been affected by factors such as not using measurement to increase scope and reach, failing to account for secondary impact and lacking a standard definition of KM.

Some organizations have developed several assessment methods. Wipro Technologies, an Indian outsourcing company, developed Knowledge Management Engagement and Effectiveness (KMEE) Index, which helped to measure the level of engagement and effectiveness in each business units of an organization.

Lucent Technologies, a leading communication equipment and service provider, developed Ask Lucent (AL) program to create customer support knowledge asset by controlling information about thousands of problems faced by customers. Lucent also developed a "balanced scorecard" approach to showing the relationship between KM activity and performance. It includes customer activity and its value, the time taken to resolve issues, the level of KM activities and financial value of time saved.

In Bharati Tele-Ventures, Arun Hariharan lists factors such as strategic focus, alignment with objectives, KM organization, and roles, etc. which are

required to meet KM. The company measured results by production maximization, customer delight, and revenue enhancement. The company also incorporated KM measures into performance appraisals, generated monthly reports, established rewards, and recognition program, etc. Some firms require complete valuation while some might need a less formal one. The firms need to find the right mix of different levels.