1st:

There are three different types of summary measures, one of which is called skewness - also referred to as the measure of symmetry. The term skewness is defined as the extent of departure of numerical values from symmetrical distribution around the central value (Sharma, 3.1). The measure of skewness is known as the statistical technique to indicate the direction and extent of the skewness in the distribution of numerical values in the data set. To define the skewness, you will use the measurements of A.M., median, and mode (Sharma, 5.2). A measure of skewness can either be positive or negative. When the distribution is shifted to the left with the tail on the right side, it is positive; the opposite is negative. By measuring skewness, investors can forecast returns ("Skewness," 2022).

Karl Pearson finds the skewness by using the equation mean-mode over standard deviation. Since a mode does not always exist uniquely in a distribution, it is convenient for him to define this measure using the median. As a result, the value of skewness varies between negative or positive 3, and for moderately skewed distribution between pessimistic and optimistic 1. Karl's method is helpful in open-end distributions. Bowley's method is based on relative positions of the median and the quartiles in a distribution. The two significant advantages of Bowley's coefficient of skewness indicate that it is not affected by extreme observations in the data set. I would prefer Pearson, as it seems to give a more vital outcome than Bowley's. Pearson uses standard deviation where Bowley does not, making it more challenging to interpret the data for business purposes (Sharna, 5.2.1).

Resources:

"Skewness" (2022). What is skewness? CFI. Retrieved from [https://corporatefinanceinstitute.com/resources/kn...](https://corporatefinanceinstitute.com/resources/knowledge/other/skewness/)

Sharma, J. K. (2006). Business statistics, second edition. Pearson India.

21 hours ago

2nd:

Skewness is the term used to describe asymmetry from the normal distribution of a data set. From the reading the Measure of skewness is “the statistical technique to indicate the direction and extent of the skewness in the distribution of numerical values in the data set.” (Sharma, 2006).

Karl Pearson’s measure of skewness is described as mean – mode = 3(mean-median) or mode= 3 median -2 mean and Bowley’s is median –q1=q3-meidan. The differences in the two is that given the same data set it’s possible for them to give different values of skewness also different data is needed to calculate. While using the same data one may come out positive value and the other negative value (Sharma, 2006).

Although I’m admittedly not an expert on all of the details of both calculations I prefer Karl Pearson’s method over Bowley’s. I like that as long as you have the mean, median, mode and standard deviation you can calculate the skewness with accuracy. I guess it would be dependent on what data you have because if you didn’t have the standard deviation you would lean toward Bowley’s method.

Works Cited

Sharma, J. K. (2006). Skewness, Moments, and Kurtosis. In Business Statistics, Second Edition. book, Pearson India.

Sharma Coder Technical. (n.d.). Bca Statistics Skewness Karl Peasron's and Bowley's co-efficient of Skewness. youtube.com. Retrieved April 10, 2022, from