





MP_L : Marginal Product of Labor

Increase in **output** resulting from the last
worker hired (Measured in **units of output**)

MRP_L : Marginal Revenue Product of Labor

Revenue generated by the last worker
hired (Measured in dollars)

$$MRP_L = MRP_L \times \text{Price of output}$$

Change in TP

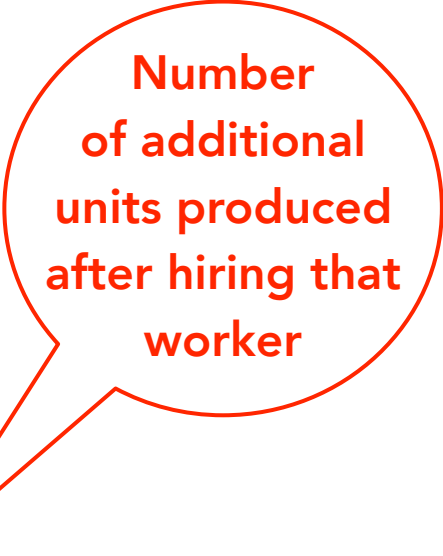
Change in L

MPL


L

=


$$MP = \frac{\Delta T P}{\Delta L}$$



**Number
of additional
units produced
after hiring that
worker**



**Price at
which those
units will be
sold**

A large, black-outlined speech bubble with a tail pointing towards the bottom right corner. Inside the bubble, the text "Revenue the firms gets from hiring that worker" is written in a bold, black, sans-serif font, centered and arranged in four lines.

**Revenue the
firms gets from
hiring that
worker**

MP_L : Marginal Product of Labor

Increase in **output** resulting from the last worker hired (Measured in **units of output**)

$$MP_L = \frac{\text{Change in TP}}{\text{Change in L}}$$

$$MP = \frac{\Delta TP}{\Delta L}$$

Revenue the firms gets from hiring that worker

Marginal Revenue

generated

hired (Measured in **dollars**)

Number of additional units produced after hiring that worker

Price at which those units will be sold

$$MRP_L = MP_L \times \text{Price of output}$$

