



# Measures of Labor Productivity

Marginal product (MP): observed  
increase in TP when one more  
worker is hired

Total product (TP): Total units  
produced by ALL workers

Average product (AP): Output  
per worker



Sum of **MP**



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

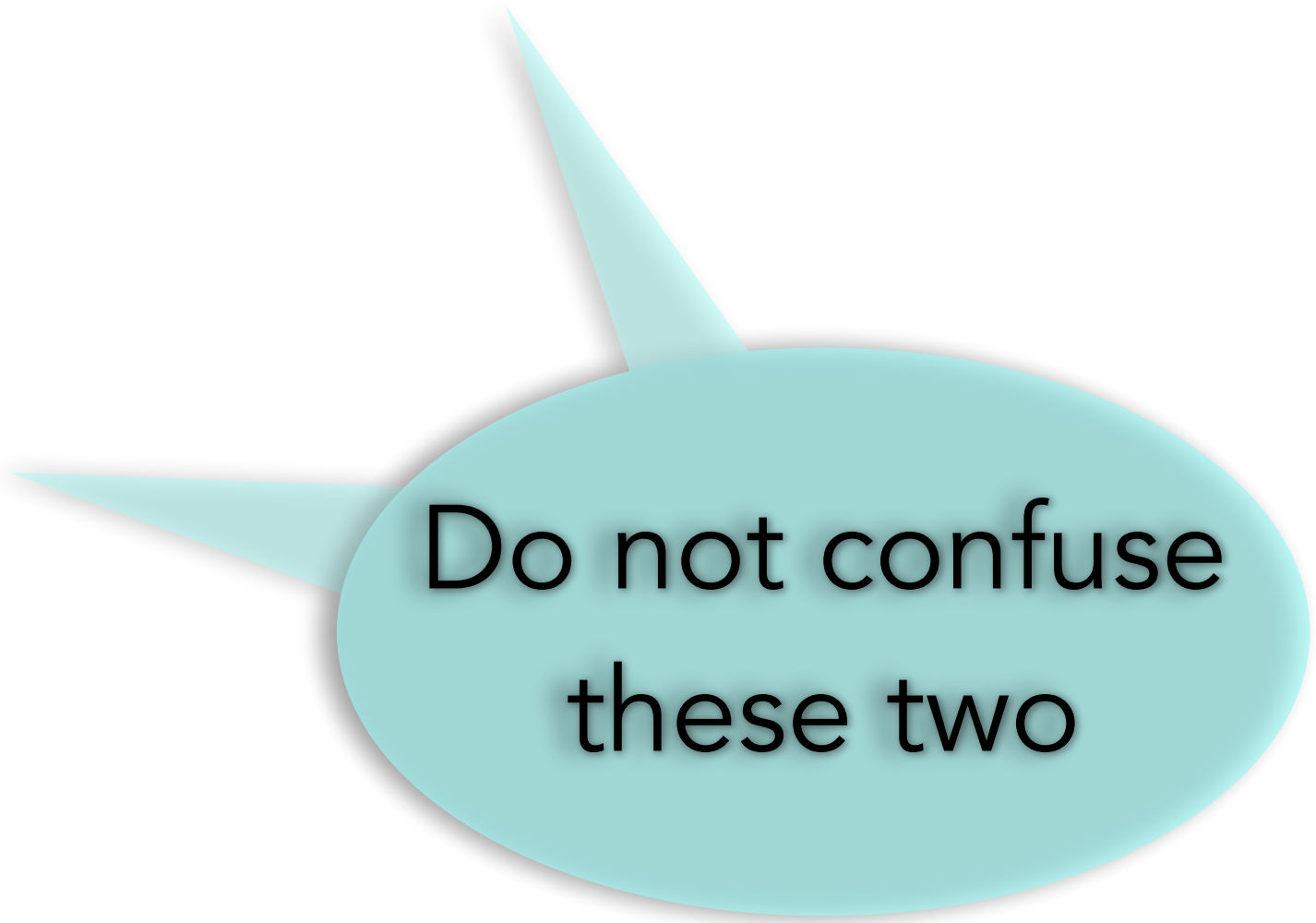
$$TP(L=n) = MP_1 + MP_2 + MP_3 + MP_4 + \dots + MP_n$$



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



$$AP = \frac{TP}{L}$$




Do not confuse  
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