# $MP_L$ : 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

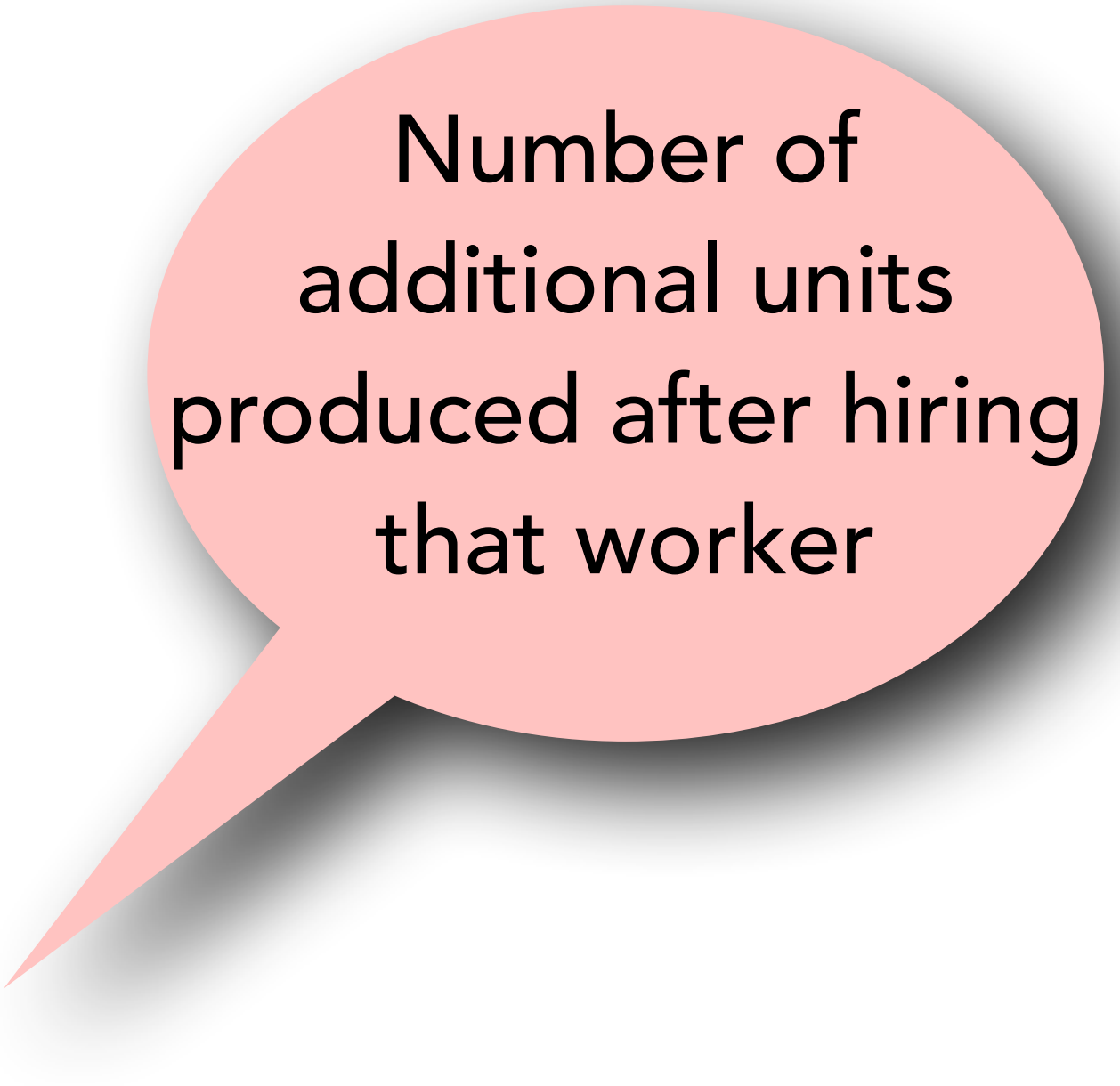
Revenue generated by the last worker hired (Measured in dollars)

$MRP_L = MP_L \times$ Price of output

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


MP
L
=

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


Number of additional units produced after hiring that worker


Price at which those units will be sold


Revenue the firms gets from hiring that worker

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

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

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