

Marginal Product

$$50/10 = 5$$

$$70/10 = 7$$

$$90/10 = 9$$

$$120/10 = 12$$

$$140/10 = 14$$

$$160/10 = 16$$

$$150/10 = 15$$

$$130/10 = 13$$

$$110/10 = 11$$

$$80/10 = 8$$

$$50/10 = 5$$

$$20/10 = 2$$

$$- 20/10 = - 2$$

$$- 50/10 = -5$$

$$- 80/10 = -8$$

$$- 110/10 = -11$$

$$- 130/10 = -13$$

TP	Change in TP	Change in L
0		
50	50-0=50	10-0=10
120	120-50=70	20-10=10
210	210-120=90	30-20=10
330	330-210=120	40-30=10
470	470-330=140	50-40=10
630	630-470=160	60-50=10
780	780-630=150	70-60=10
910	910-780=130	80-70=10
1,020	1020-910=110	90-80=10
1,100	1100-1020=80	100-90=10
1,150	1150-1100=50	110-100=10
1,170	1170-1150=20	120-110=10
1,150	1150-1170=-20	130-120=10
1,100	1100-1150=-50	140-130=10
1,020	1020-1100=-80	150-140=10
910	910-1020=-110	160-150=10
780	780-910=-130	170-160=10

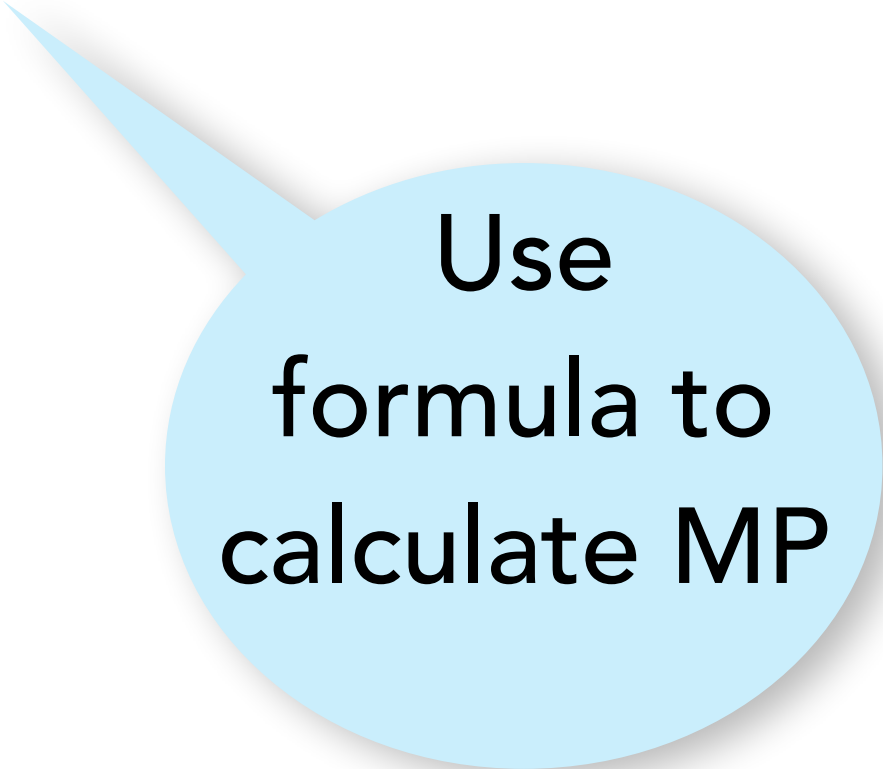
Labor
0
10
20
30
40
50
60
70
80
90
100
110
120
130
140
150
160
170

Leave Blank!

Labor
increases in
groups of 10
workers
 $\Delta L = 10$

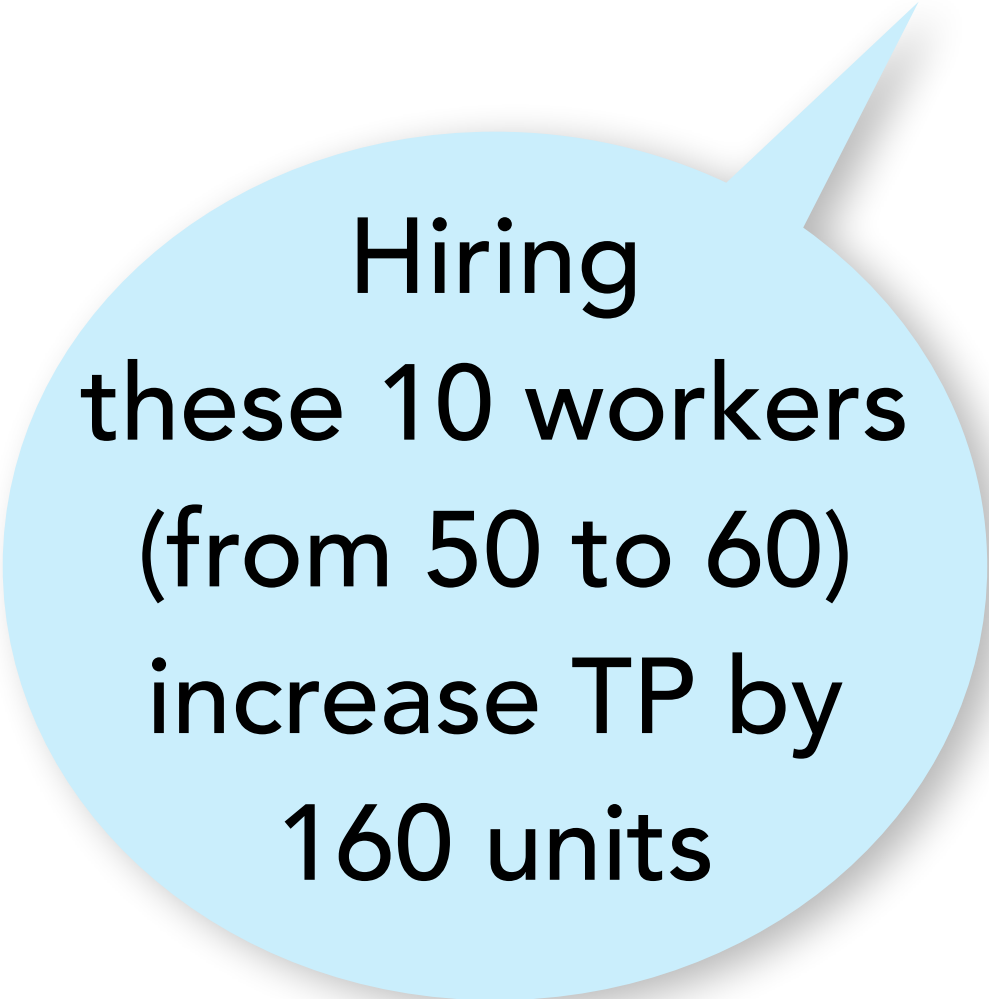




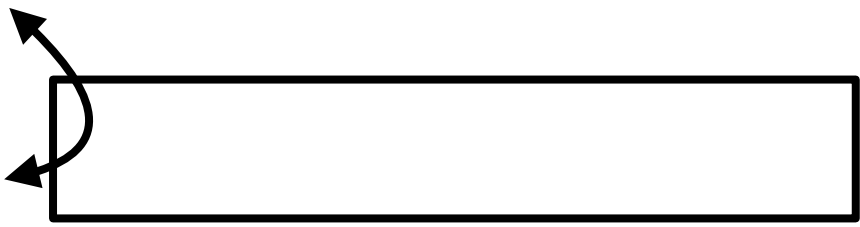


Use
formula to
calculate MP

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

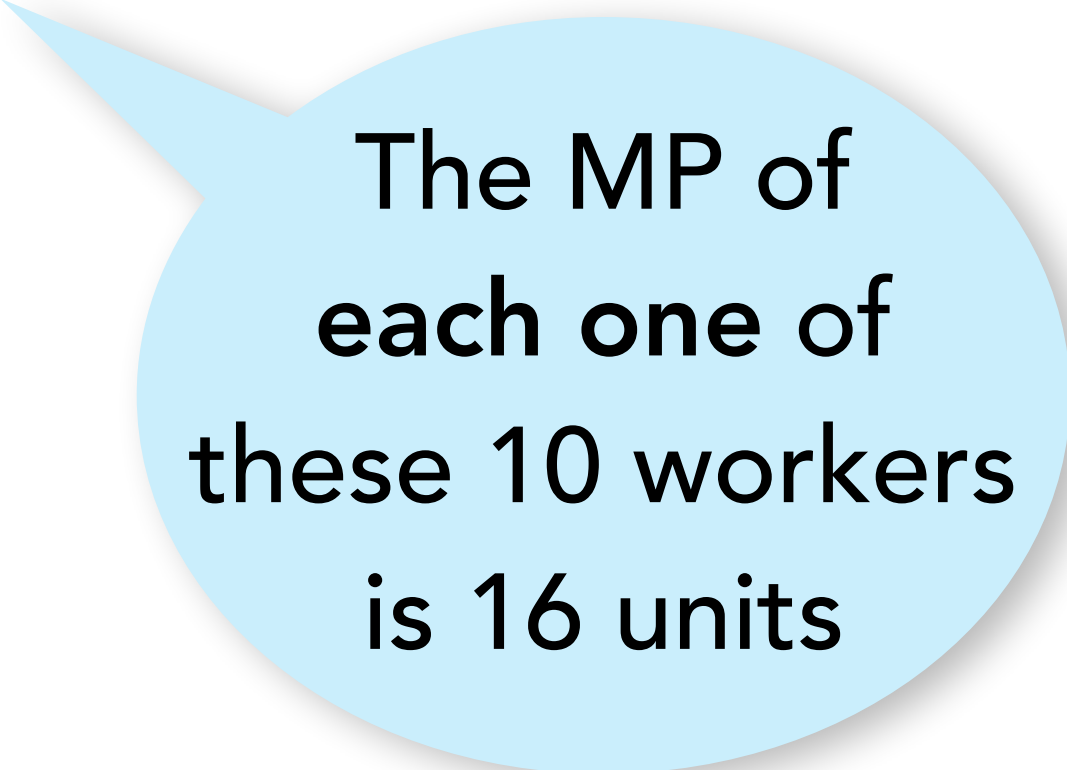


Hiring
these 10 workers
(from 50 to 60)
increase TP by
160 units









**The MP of
each one of
these 10 workers
is 16 units**

Labor	TP	Change in TP	Change in L	Marginal Product
0	0	ΔTP	ΔL	Leave Blank!
10	50	$50-0=50$	$10-0=10$	$50/10 = 5$
20	120	$120-50=70$	$20-10=10$	$70/10 = 7$
30	210	$210-120=90$	$30-20=10$	$90/10 = 9$
40	330	$330-210=120$	$40-30=10$	$120/10 = 12$
50	470	$470-330=140$	$50-40=10$	$140/10 = 14$
60	630	$630-470=160$	$60-50=10$	$160/10 = 16$
70	780	$780-630=150$	$70-60=10$	$150/10 = 15$
80	910	$910-780=130$	$80-70=10$	$130/10 = 13$
90	1,020	$1020-910=110$	$90-80=10$	$110/10 = 11$
100	1,100	$1100-1020=80$	$100-90=10$	$80/10 = 8$
110	1,150	$1150-1100=50$	$110-100=10$	$50/10 = 5$
120	1,170	$1170-1150=20$	$120-110=10$	$20/10 = 2$
130	1,150	$1150-1170=-20$	$130-120=10$	$-20/10 = -2$
140	1,100	$1100-1150=-50$	$140-130=10$	$-50/10 = -5$
150	1,020	$1020-1100=-80$	$150-140=10$	$-80/10 = -8$
160	910	$910-1020=-110$	$160-150=10$	$-110/10 = -11$
170	780	$780-910=-130$	$170-160=10$	$-130/10 = -13$

Labor increases in groups of 10 workers
 $\Delta L = 10$

Hiring these 10 workers (from 50 to 60) increase TP by 160 units

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

Use formula to calculate MP

The MP of each one of these 10 workers is 16 units

The Average/Marginal Rule