

Visual 1

Productivity

Economic Growth: a sustained rise in a nation's production of goods and services

Labor Productivity: output per worker per hour

Labor Productivity Formula:

$$\text{Labor Productivity} = \frac{\text{Output}}{\text{Time Worked} \times \text{Number of Workers}}$$

Use this formula to answer the problems below.

1. Ten workers produce 30 cars in 3 hours. What is the labor productivity rate per worker?
2. If 2 workers produce 60 cars in 2 hours, what is the labor productivity rate per worker per hour?