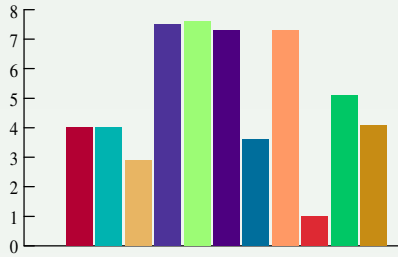
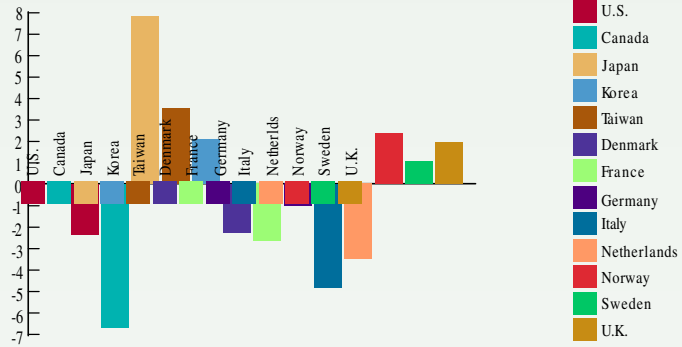


# How the American factory floor rates

Percent change in manufacturing output



Percent change in manufacturing unit labor costs



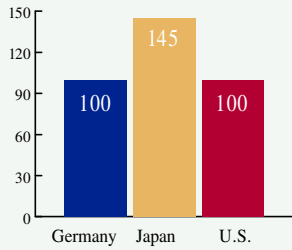
Source: U.S. Bureau of Labor Statistics

Explanation: The largest productivity increases were achieved in the countries that reduced labor input the most (as measured by total hours worked). Japan's productivity increase was due to a 2 percent reduction in labor hours. The United States and Canada increased hours worked by about 2.5 percent.

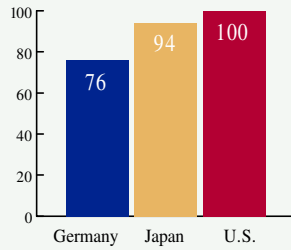
## Where's the productivity?

Value added per hour worked

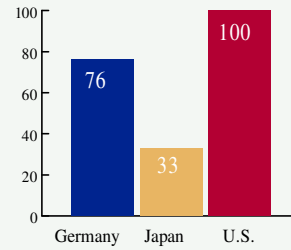
Steel Labor Productivity



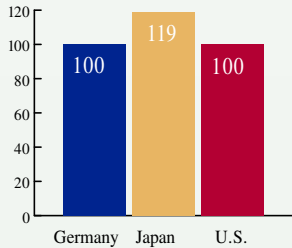
Soap and Detergent Labor



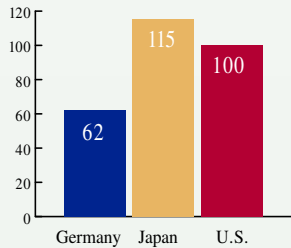
Processed Food Labor



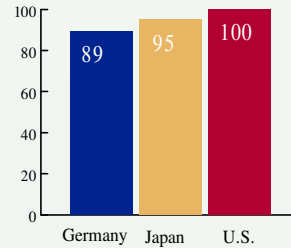
Metalworking Labor



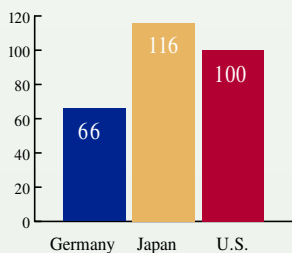
Consumer Electronics Labor



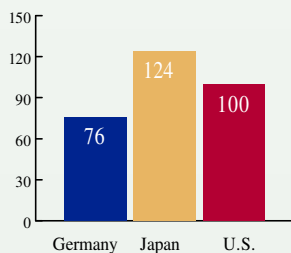
Computer Labor



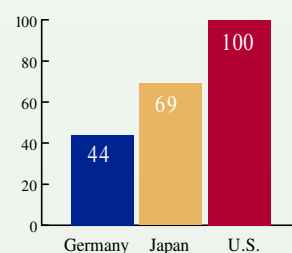
Auto Assembly Labor



Auto Parts Labor



Beer Labor



Source: McKinsey Global Institute 1993