

Steps for optimization:

1. Identify whether this is a maximization or minimization problem. (For the purposes of this guide, we'll assume it's a maximization problem).
2. Identify the quantity to be maximized. (For the purposes of this guide, we'll call this quantity Q).
3. State the objective of the problem: Obj.: Max. Q .
4. Find a formula for the quantity Q .
5. Restate the objective using the formula for Q .
6. Determine if there are any constraints in the problem. This is especially relevant if the formula for Q is a function of more than one variable.
7. If there are any relevant constraints, substitute them into the formula for Q . If the formula for Q had more than one variable, then use the constraints to eliminate the extra variables.
8. Take the first derivative of the simplified formula.
9. Set the first derivative equal to 0 and solve for x , the variable in the formula.
10. Find the second derivative, and check its sign at all the values of x found in the previous step.
11. Identify where x is a maximum. Call this number x^* .
12. Find the values of the other variables for this value x^* .
13. Find the value of Q for this value x^* . This is the maximum value of Q .