

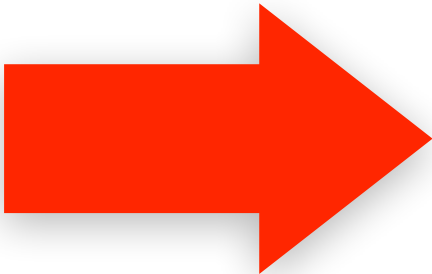


Hiring more workers is still beneficial:



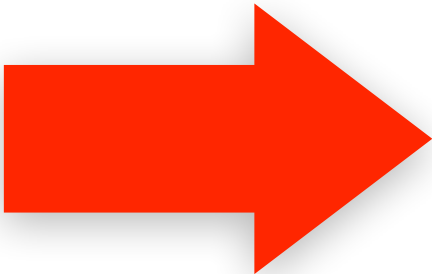
New workers produce additional units

📌 New workers still improve the productivity of other workers but as the plant begins to get crowded the increase in productivity slows down



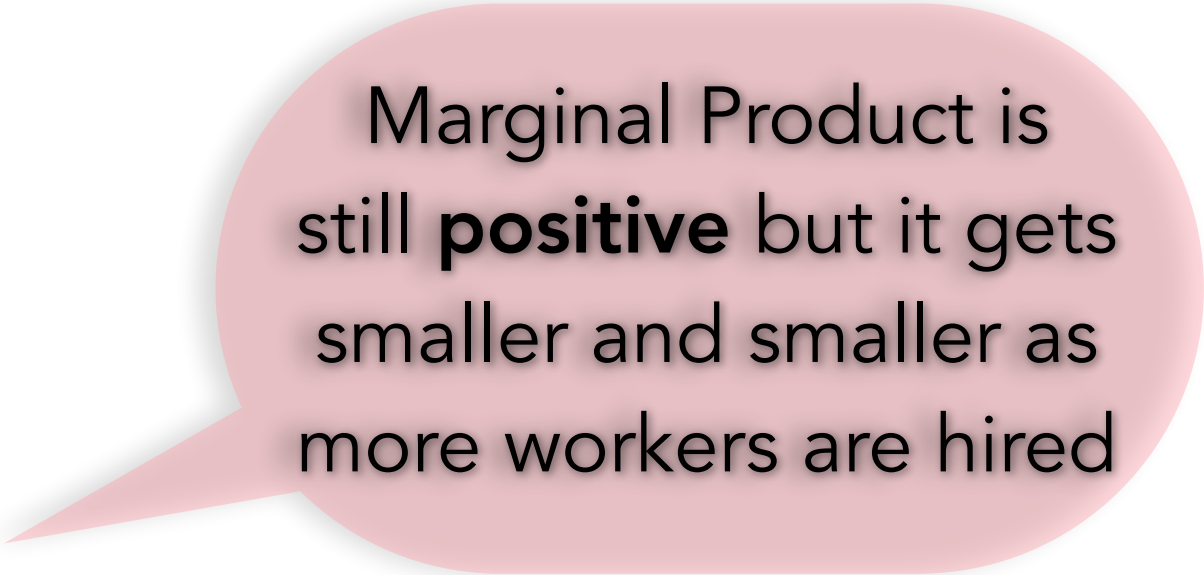
New workers make previous  
workers only a bit more  
productive

What happens if we continue to hire more  
workers?





Marginal Product Decrease

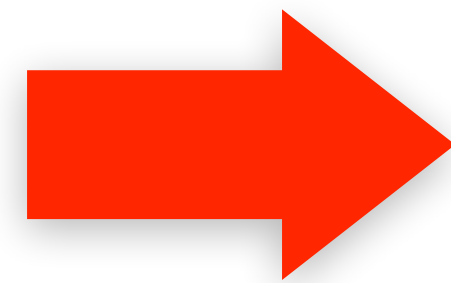
A pink speech bubble with a tail pointing towards the bottom-left corner, containing text about the marginal product.

Marginal Product is still **positive** but it gets smaller and smaller as more workers are hired

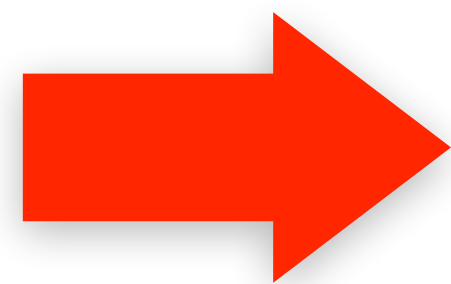
# What happens if we **continue** to hire more workers?

Hiring more workers is still beneficial:

- New workers produce additional units
- New workers still improve the productivity of other workers but as the plant begins to get **crowded** the **increase** in productivity **slows down**



New workers make previous workers only **a bit more** productive



Marginal Product **Decrease**

Marginal Product is still **positive** but it gets smaller and smaller as more workers are hired

