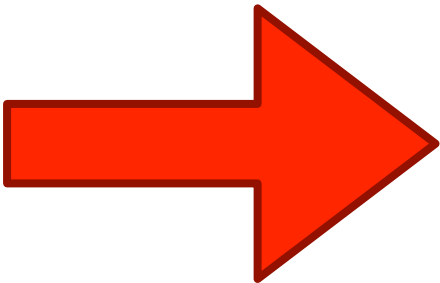


Hiring more workers is still beneficial:



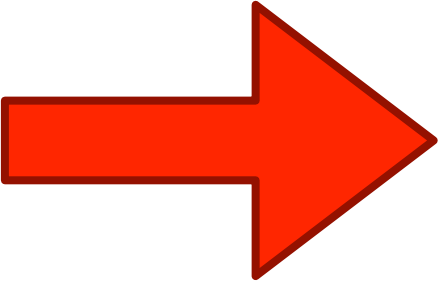
New workers produce additional units

📌 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?

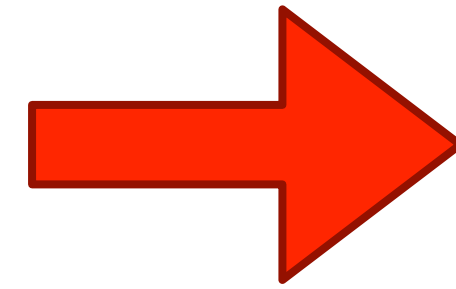


Marginal Product Decrease

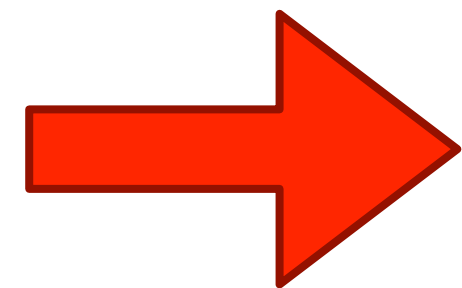
What happens if we **continue** to hire more workers?

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**

