

Group Exercise #6**Name:**

Consider the following situation in which the owner of a lawn maintenance company has to decide how many employees to hire. Given current equipment owned by the company, the owner knows the number of acres that can be cared for in an hour with a given number of employees:

<u># of Employees</u>	<u># of acres of lawn processed in one hour</u>
1	2
2	7
3	15
4	21
5	25
6	28
7	30

Suppose that the company charges \$4 per acre for lawn care:

- How many workers will the owner employ if the market wage for lawn care professionals is \$12/hour? why?
- How many workers will be hired if the market wage is \$24/hr? (Be careful! Calculate total payroll and total revenue when making your decisions)