

Answer on Question #48570 – Math – Algebra

if a new production method allows labour cost to be reduced to \$3.45 per unit while increasing the maximum production to 250 units per month, what percentage increase in profit would the company see from that product.

Solution.

If c is the labor costs before reducing, the percentage increase in profit would

$$\text{be } p = \frac{250(c-3.45)}{250c} * 100\% = 100\% - \frac{3.45}{c} * 100\% .$$