

Presented by



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#### **Company Overview**

WB Games Montreal (WBGM), a subsidiary of Warner Bros Games, is an AAA video game development studio that opened in 2010. With over 300 employees, the studio is best known for its game Batman: Arkham Origins, released in 2013. The excitement for this game was notable in the year leading up to the release of the game: Arkham Origins, which was the sequel to the critically acclaimed Batman: Arkham Asylum and Batman: Arkham City series.

The studio then continued to develop games from 2014 to 2016, but did not release any during that time. At the end of 2016, WB Games Montreal underwent internal changes with the arrival of Stéphane Roy as studio director and the cancellation of two projects in production.

In 2017, WBGM started a collaboration with NetherRealm Studio on the Injustice 2 and Mortal Kombat 11 games that were released in 2017 and 2019, and began the development of a brand new Gotham Knights franchise. The game was released on October 21, 2022, after 5 years of production. The game's release thus allows the Montreal studio to re-establish itself in the video game industry's spotlight after a few quieter years.

Description of the game Gotham Knights: Batman is dead. A new, expansive, criminal underworld has swept the streets of Gotham City. It is now up to the Batman Family; Batgirl, Nightwing, Red Hood, and Robin; to protect Gotham, bring hope to its citizens, discipline to its cops, and fear to its criminals. From solving mysteries that connect the darkest chapters in the city's history to defeating notorious villains in epic confrontations, you must evolve into the new Dark Knight and save the streets from descent into chaos!

From an organizational standpoint, WB Games, the parent company of WBGM, has gone through a period of instability in recent years with AT&T's purchase of the Times Warner Group in 2018, rumors of sales of the gaming division, and the spinoff and merger of the parent WarnerMedia Group with Discovery in 2022 to become Warner Bros. Discovery.

# **Video Game Industry Overview**

In 2022, the video game industry is growing rapidly and is expected to reach a market value of \$US 204.6 billion in 2023 compared to its value of \$US 175.8 billion in 2021<sup>2</sup>. This industry is extremely multidisciplinary and many of its professions are found in other industries (animation, programming...). The talents needed in the video game industry are therefore particularly sought after.

Currently, Quebec is facing a significant labour shortage in all industries. This shortage is even more important in the video game and entertainment sector.

<sup>1</sup> Warner Bros. Entertainment Inc. (s.d.). Gotham Knights Game, https://www.gothamknightsgame.com/en-

ca?gsc=1&utm\_campaign=18280712768&utm\_content=620673209003&utm\_medium=ytv\_5651835&utm\_source=adwords&utm\_term=146200432212

Wijman, T. (2021). Newzoo, « Global Games Market to Generate \$175.8 Billion in 2021; Despite a Slight Decline, the Market Is on Track to Surpass \$200 Billion in 2023 », <a href="https://newzoo.com/insights/articles/global-games-market-to-generate-175-8-billion-in-2021-despite-a-slight-decline-the-market-is-on-track-to-surpass-200-billion-in-2023">https://newzoo.com/insights/articles/global-games-market-to-generate-175-8-billion-in-2021-despite-a-slight-decline-the-market-is-on-track-to-surpass-200-billion-in-2023</a>

Video game studios in Quebec are facing fierce local competition. In 2021, there were 291 studios (a third of all studios in Canada) and 13,500 direct jobs in Quebec alone in addition to 298 studios and 7,000 jobs in Ontario<sup>3</sup>. Recruiting and retaining talent are therefore crucial issues for video game studios in Quebec.

Greater Montreal is specifically considered the 5th largest video game hub in the world, behind Tokyo, London, San Francisco and Austin<sup>4</sup>. It is home to 70% of the development studios and service companies located in Quebec, including 140 studios, including the most internationally renowned such as Ubisoft, Eidos, Gameloft, Behaviours and Warner Bros Games<sup>5</sup>.

It should be noted that although the video game industry is vast, the important mobility of employees from one studio to another favors the development of large networks of contacts. Word of mouth, positive or negative, is therefore very present in the industry.

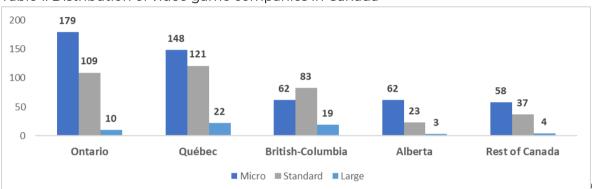


Table 1: Distribution of video game companies in Canada

Micro: less than 4 employees | Standard: 5 to 99 employees | Large: more than 100 employees

Table 2: Variation of the number of video game businesses since 2019 in each region

Region	Micro	Standard	Large	Total	
Alberta		+ 29 %	+ 46 %	+0%	+ 32 %
British-Columbia		+ 35 %	+31%	+ 111 %	+ 39 %
Québec		+ 24 %	+ 48 %	+ 24 %	+ 33 %
Ontario		+ 33 %	+ 18 %	+ 43 %	+ 27 %
Atlantic		+ 139 %	+9%	+ 33 %	+ 55 %
Prairies (Manitoba and					
Saskatchewan)		+ 108 %	+86%	+0%	+ 100 %
Total		+ 35 %	+ 34 %	+ 29 %	+ 35 % 7

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<sup>3</sup> Brault, M.-S. (2021). « L'industrie du jeu vidéo victime de sa croissance », Le droit numérique, <a href="https://www.ledroit.com/2021/12/04/lindustrie-du-jeu-video-victime-de-sa-croissance-da24db4592c4c3e43b61fcd70873bb3">https://www.ledroit.com/2021/12/04/lindustrie-du-jeu-video-victime-de-sa-croissance-da24db4592c4c3e43b61fcd70873bb3</a>

<sup>4</sup> Montréal International (2018). « Le Grand Montréal, 5° pôle mondial du jeu vidéo ». <a href="https://www.montrealinternational.com/fr/actualites/le-grand-montreal-5e-pole-mondial-du-jeu-">https://www.montrealinternational.com/fr/actualites/le-grand-montreal-5e-pole-mondial-du-jeu-</a>

video/#:~:text=Le%20Grand%20Montr%C3%A9al%20regroupe%20environ,tirer%20leur%20%C3%A9pingle%20du%20jeu.

<sup>5</sup> Idem

<sup>7 &</sup>lt;sub>Ibid. p.12</sub>

#### **WBGM Benefits**

Currently, WBGM offers various benefits to its employees, including 100% hybrid work. Employees can choose to work remotely, on-site or alternate between the two modes, at their convenience. In addition, the company offers other incentives, such as:

- Competitive salaries and bonuses;
- Full coverage group insurance, 100% paid by the employer, including an employee assistance program and access to telemedicine;
- An advantageous pension plan;
- Sick days and floating days;
- Total reimbursement of various academic and continuous learning trainings and access to several training platforms (LinkedIn Learning, Masterclass, Gnomon workshop...);
- The possibility to work on popular intellectual properties;
- Free or discounted video games and movies;
- Wellness programs including relaxation apps, an on-site massage therapist, various online exercise sessions, a flu shot clinic, corporate discounts at some gyms and with the Bixi company...;
- Snacks such as fresh fruit, popsicles, a smoothie bar as well as various types of beverages.

In the past year, WBGM has also organized several activities for its employees such as: barbecues, buffets, happy hours, breakfasts and private screenings at the movies.

Lastly, in addition to offering interesting benefits to its employees, WBGM stands out for its philanthropic actions in the community. The company maintains numerous philanthropic partnerships with several organizations, such as: Pixelles, Women in Games, Fierté au travail, Moisson Montréal and the Grande Bibliothèque (BaNQ).

The company also offers several student scholarships in several universities.

This type of action is directly related to WBGM's mission and values :

WBGM's Mission

"We create memorable AAA experiences by fulfilling our promises to our people, our players and our partners."



#### WBGM's values:

- We have fun doing what we do: ...and it shows in our games!
- We treat each other well: we listen to, recognize and respect each other.
- We join forces: by combining our strengths, we succeed.
- We get it done: we hit our targets by striking a balance between execution and quality.

#### **Problematic**

In Montreal's video game industry, the shortage of qualified workers, already present before the pandemic, has intensified over the past 3 years. Studios are growing, and new ones are constantly being added to the Quebec ecosystem.

Moreover, with remote work, it has become easier than ever for foreign companies to recruit developers in Montreal without even having a physical presence in the city. This new reality forces Montreal studios to compete with high salaries from other markets and calculated in foreign currencies (mainly in US dollars). For the employees, working remotely also simplifies the transition from one employer to another, with little or no impact on their quality of life and habits.

The shortage and increased competition for talent can have significant negative effects for studios. Talent shortages can lead to production delays, cost overruns, and work overload for existing teams. Competition for existing resources increases turnover and can have a negative effect on productivity and team morale. It can also lead to a loss of knowledge and expertise when key individuals leave.

It is becoming increasingly difficult to stand out as studios offer more and more competitive salaries and attractive benefits. Furthermore, it is therefore necessary to go beyond these aspects to recruit and retain talent.

On which aspects of its employer brand should WB Games Montreal focus in order to remain attractive to its current employees and to promote the recruitment of new talent? What concrete actions should WB Games Montreal take to develop its culture in a 100% hybrid work environment?

#### Mandate

Today, WB Games Montreal is calling on you to establish recruitment and retention strategies. First, you will have to help WB Games Montreal with its employer brand and find creative and realistic ways to differentiate WB Games Montreal within the industry in order to help retain employees as well as hire them.

Then, you will have to suggest ways to foster the integration of the organizational culture with current employees.

Finally, WBGM asks you to include a recommendation regarding the mode of work to be advocated (100% hybrid as currently, or another format), the reasoning behind this recommendation, and how your strategy fits into this mode of work.

### Your solutions should aim to:

- Promote the development of the studio's brand recognition.
- Increase employee retention.
- Increase the number of applications in a significant

#### Constraints

Your strategy must be able to be implemented within 6 to 12 months, as the industry evolves rapidly. In fact, implementing a strategy that takes 3-5 years will not follow the evolving needs of the market.

In addition, you must consider that the team in charge of implementing your solutions is composed of three people from the communications department and four people from the human resources department.

Finally, you have a maximum budget of \$200,000.

#### Annex A: Warner Bros. Discovery structure

Warner Bros. Discovery (WBD)<sup>8</sup>

Warner Bros. Discovery, a premier global media and entertainment company, offers audiences the world's most differentiated and complete portfolio of content, brands and franchises across television, film, streaming and gaming. The new company combines WarnerMedia's premium entertainment, sports and new assets with Discovery's leading non-fiction and international entertainment and sports businesses.

### WB Games9

- Subsidiary of WBD
- WB Games is a world leader in game development for all platforms<sup>10</sup>
- Consists of all WB Games game development studios around the world

# WB Games Montréal (WBGM)

- Subsidiary of WBG
- One of the twelve studios of WB Games<sup>11</sup>
- WBGM career website: https://wbgamesmontreal.com/careers/

It should be noted that although the different entities of WBD (WB Games, WB, WB Television...) work with the same franchises (DC, Harry Potter...), each of them exploits them according to their own strategic orientation.

# Annex B: Examples of competitors who have placed themselves in the context of their employer brand

Below are some examples of studios that have clearly positioned themselves with respect to their employer brand. WBGM expects you to provide this type of guidance without copying what our competitors are doing.

Career pages on websites, job postings and LinkedIn pages of companies are some of the resources to evaluate the employer brand aspects of a company.

- Ubisoft Montréal : <a href="https://montreal.ubisoft.com/en/your-career/">https://montreal.ubisoft.com/en/your-career/</a>
- Eidos Montréal: <a href="https://www.eidosmontreal.com/careers/">https://www.eidosmontreal.com/careers/</a>
- Frima: <a href="https://frimastudio.com/en/careers/">https://frimastudio.com/en/careers/</a>
- Behaviour Interactive : <a href="https://www.bhvr.com/jobs/">https://www.bhvr.com/jobs/</a>

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<sup>&</sup>lt;sup>8</sup> Warner Bros. Discovery, Inc. (2022). *Warner Bros. Discovery, Inc.*, <a href="https://wbd.com/">https://wbd.com/</a>

 $<sup>^{9}</sup>$  Warner Bros. Entertainment Inc. (s.d.). Warner Bros. Games, <a href="https://warnerbrosgames.com/">https://warnerbrosgames.com/</a>

<sup>10</sup> Warner Bros. Entertainment Inc.(2021). Careers, Warner Bros. Games, <a href="https://careers.wbgames.com/">https://careers.wbgames.com/</a>

<sup>11</sup> Idem.

# Annex C: Studio's values visuals

