



NORTHWOOD INVESTORS DRIVES AGILITY AND COMPLIANCE ACROSS GLOBAL HOLDINGS



Northwood Investors LLC (Northwood) is a privately-held, vertically-integrated real estate company that owns and manages properties across the U.S. and Europe. With approximately \$6.5 billion of assets under management, Northwood employs a value-driven investment strategy executing and managing real estate transactions in the U.S. and Europe, ranging from office buildings and shopping centers to hotels and residential investments.

With a strategy built on frequent acquisitions and optimizing operations, Northwood requires real-time visibility into workforce data, strong compliance controls and the ability to rapidly integrate newly acquired entities. After a failed HR system implementation and years of operating on decentralized platforms, leaders recognized that sustainable growth required a unified, scalable human capital management (HCM) foundation and partnered with ADP to consolidate systems, strengthen compliance and transform HR into a strategic growth partner.

BUSINESS CHALLENGES

➔ Decentralized systems made it nearly impossible to access data or assess potential acquisitions

➔ Complex, multi-state and international compliance requirements created payroll, tax and benefits risks

➔ Failed integration of previous system was costly

QUICK FACTS

Company: Northwood Investors LLC

Industry: Financial services

Employees: 2,100

Headquarters: Denver, CO

ADP Products: ADP Workforce Now®



Heather Pimm-Pauzer
Senior Vice President, HR



Shawn Blasi
Senior HR Operations Manager



Kana Dempsey
Senior Payroll Manager

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— **Heather Pimm-Pauzer**

Senior Vice President, HR, Northwood Investors



"STREAMWORK" MAKES THE DREAM WORK

Prior to streamlining their HCM system, Northwood had decentralized HR and payroll systems across four platforms and 17 company codes. Each business unit operated independently, using different pay codes, reporting structures and benefits processes. Leadership lacked a consolidated global headcount view, and responding to investor or acquisition due diligence requests required weeks of manual data gathering.

Additionally, manual processes, including tip entry and payroll adjustments, created frequent errors. Payroll processing took up to seven days, and off-cycle payments were common, requiring checks to be overnighted at additional cost. Benefits eligibility tracking and Affordable Care Act (ACA) reporting were inconsistent, leading to penalties, legal fees and unnecessary costs.

As an acquisition-driven organization, speed matters. Previously, onboarding new entities could take months due to disparate systems and inconsistent processes. Northwood unified payroll, benefits, workforce management, onboarding and compliance into one ADP platform, creating a single source of truth across all lines of business and a scalable operating model that supports rapid integration of new businesses. Executives now access real-time dashboards for head count, labor costs and benefits participation across all holdings. Reports that once required weeks of reconciliation can now be accessed in minutes, a critical advantage during due diligence.

Automation eliminated time-consuming manual processes. Tip imports that once required hours are now completed in approximately 20 minutes, and the impacts on payroll efficiency have been significant:

- Payroll errors reduced from 48% to 2%
- Off-cycle payments reduced by 60%
- Payroll processing time cut by more than 50%

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— **Shawn Blasi**

Senior HR Operations Manager,
Northwood Investors

STRENGTHENING COMPLIANCE ACROSS COMPLEX LABOR ENVIRONMENTS

Northwood operates across multiple states and countries, managing diverse worker types, overtime laws, shift differentials and evolving paid leave regulations. In hospitality, much of the workforce is mobile, adding even more complexity. Employee self-service on the mobile app enables new hires with a faster, smoother onboarding experience and electronic I-9 e-verification has reduced I-9 errors by 90%. The mobile app provides employees with quick access to view their timecards and pay stubs, update their tax withholdings and select their benefits. From onboarding to timecards and pay, data flows seamlessly through the system, eliminating the manual errors of the past.

Managing benefits was also challenging. Disconnected carrier feeds led to errors in ACA compliance reporting, resulting in significant legal expenses to rectify and benefits payments to former employees. Senior Vice President of HR Heather Pimm-Pauzer recalls, "Any time there was a status change in the HR system, it would basically break the connection for the benefits carrier, and that's one of the ways we ended up having so many people that were terminated that still received benefits. At one point when we looked back, we'd spent \$25,000 on employee benefits that should have been terminated when they left the company. But now we have that oversight."

Utilizing ADP benefits administration, ACA tracking and carrier integrations, benefits are now centralized and monitored through configurable dashboards and audit tools. Senior HR Operations Manager Shawn Blasi says, "Using health compliance streamlined the ACA filing. It enabled a 75% reduction in errors and saved us over \$20,000 in legal fees with those filings."

"The payroll dashboard is next level. Everything is right there, right on one screen. Employees feel confident that they know that their checks are correct. We had one property where every pay period there were errors and we've had employees that threatened to leave. We don't have those errors, and we don't have the turnover at those properties like we used to."

— **Kana Dempsey**

Senior Payroll Manager, Northwood Investors



INNOVATION AND PARTNERSHIP DRIVE LONG-TERM VALUE

Following a failed prior implementation, Northwood sought more than an integrated HCM platform. They needed a partner who could deliver strategic guidance, change management and continuous innovation. ADP Strategic Advisory Services provided the change management communications needed to drive user adoption and restore confidence. Ongoing innovation and responsive support from their ADP service team help ensure the system is being fully maximized and continues evolving with Northwood's business needs.

Improved payroll accuracy has strengthened employee trust. Properties that previously experienced recurring payroll issues no longer face routine errors, contributing to reduced employee frustration and lower turnover risk. Senior Payroll Manager Kana Dempsey says, "The payroll dashboard is next level. Everything is right there, right on one screen. Employees feel confident that they know that their checks are correct. We had one property where every pay period there were errors and we've had employees that threatened to leave. We don't have those errors, and we don't have the turnover at those properties like we used to."

Today, Northwood operates with a unified, agile HCM platform that supports its acquisition strategy, strengthens compliance and enhances the employee experience across its global portfolio. With integrated analytics, HR now provides leadership with accurate forecasting, budgeting support and cost analysis across holdings, making them a strategic driver of sustainable growth. Heather says, "Scalability is essential in our industry. Now that we have centralized pay codes, benefits and policies built into the system, it makes us much more agile, and we're able to accommodate the needs of the business very quickly. HR has become more of a strategic partner. Before we were more of a cost center and the trust wasn't quite there, but now we are an essential part of the team and the acquisitions team."

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