

## CASE STUDY



### Key Benefits of NaviSite Solution

- Provides well-documented, audit-friendly SSAE 16 controls
- Reduces IT costs through inclusion of migration and lifecycle management services
- Eases day-to-day technical and functional application management
- Provides a scalable, cloud-based platform for growth



## First Marblehead Turns to NaviSite for a Cloud-Based Managed Oracle E-Business Solution with Expert On-Boarding Support and Lifecycle Management Services

### COMPANY OVERVIEW

The First Marblehead Corporation, headquartered in Boston, MA, is a leading provider of private student loan solutions for lenders, credit unions and schools. First Marblehead helps meet the growing demand for education financing by offering its clients a suite of outsourced services for private student loans, including underwriting, loan origination and portfolio risk management. To date, First Marblehead has helped its clients process more than six million applications and fund over \$16.5 billion in private student loans.

### FIRST MARBLEHEAD'S CHALLENGE

First Marblehead had strong concerns about SSAE 16 (formerly SAS 70) requirements. Before turning to NaviSite's cloud-based solution, First Marblehead had been using another hosting provider for its Oracle E-Business Suite, which included General Ledger, Fixed Assets, Accounts Payable, Accounts Receivable, iExpenses and Cash Management modules. However, the service provider was unable to provide well-documented controls for SSAE 16, forcing First Marblehead to incur additional costs and time retesting and validating controls. "What should have been a fairly straightforward auditing process for an external hosting provider became much more difficult than it should have been," said Peter Fitzgerald, Vice President, Financial Planning and Analysis, First Marblehead.

When the service provider was unable to fully address the compliance requirements, First Marblehead conducted a search for a new service provider with SSAE 16 and Oracle E-Business expertise that could also provide a cost-efficient solution that included on-boarding support and comprehensive lifecycle management services.

### GOALS

As First Marblehead considered its options for managed application service, it looked to meet several key goals:

- **SSAE 16 compliance requirements** – A service provider that could provide strong, well-documented and audit-friendly controls.
- **Comprehensive solution and lower IT costs** – A cost-efficient solution that included full operational and functional application support; comprehensive on-boarding and migration services; and full lifecycle management services that included application upgrades, patches and service packs.
- **Highly responsive customer support** – A service provider that could offer responsive technical and functional application support to minimize the impact on in-house support resources.
- **Clear path for growth** – A managed application hosting provider with a highly scalable platform that can accommodate growth – both increased usage and new applications.

#### At-A-Glance

Corporate Headquarters:  
Boston, MA

[www.firstmarblehead.com](http://www.firstmarblehead.com)

*"NaviSite differentiated itself from the other service providers by presenting us with a complete solution at a competitive price-point – one that included migration services and upgrades."*

**Peter Fitzgerald,**  
Vice President, Financial  
Planning & Analysis  
First Marblehead Corporation

## BUSINESS IMPACT – MIGRATION AND LIFECYCLE MANAGEMENT SERVICES YIELD COST-SAVINGS AND IT EFFICIENCIES

First Marblehead looked at several service providers, but was immediately impressed by NaviSite's SSAE 16 capabilities and overall transparency. "NaviSite's SSAE 16 was more focused on our requirements than competitors' offerings," stated Fitzgerald. "They brought us in for an extensive tour of the data center and let us bring our auditors in to assess their controls."

At the same time, NaviSite offered a comprehensive solution that included on-boarding services and upgrades. "NaviSite differentiated itself from the other service providers by presenting us with a complete solution at a competitive price-point – one that included migration services and upgrades," said Fitzgerald.

As an Oracle Platinum Partner, NaviSite has the proven expertise to lead and support customers through the entire on-boarding process. "NaviSite's level and speed of escalation was impressive during the migration process," said Fitzgerald. "They were highly responsive and provided a much better communications flow than our previous provider."

First Marblehead calculated major cost-savings in two areas – lifecycle management and day-to-day support. "NaviSite is proactive with respect to upgrades and fixes," remarked Fitzgerald. "With our other service provider, those would be additional charges."

First Marblehead didn't have to staff up with additional resources to support the upgrade. In addition, NaviSite's ability to provide day to day functional support eliminated the need to increase headcount. According to Fitzgerald, First Marblehead would have had to hire at least two additional database administrators (DBAs) to provide the necessary support in-house.



## SUMMARY

With NaviSite's Managed Application Services, First Marblehead has addressed its SSAE 16 requirements while benefiting from the inclusion of value-added services for migration and lifecycle management. The decision to switch to NaviSite has been validated, and First Marblehead would consider entrusting other applications or support functions to NaviSite. "NaviSite would be at the top of our list," stated Fitzgerald.

# NaviSite®

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