

Exception Classification Matrix

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Matrix Table

Exception Type	Description	Severity	Impact	Mitigation/Response
Data Entry Error	Incorrect or incomplete entry of data into system records.	Low	Minor delays in processing, possible need for data correction.	Monitor and correct errors, additional staff training.
Policy Violation	Actions not in accordance with internal procedures or guidelines.	Medium	Potential for regulatory non-compliance or audit findings.	Review policy, re-train staff, implement controls.
Security Breach Attempt	Suspicious activity or failed access to restricted information.	High	Risk of data compromise or unauthorized access.	Escalate to security team, audit access logs, strengthen controls.
System Downtime	Unavailability of systems due to error or maintenance.	Medium	Interruptions in service delivery, backlog of work.	Notify stakeholders, apply contingency plan, restore system.
Regulatory Exception	Failure to comply with external legal or regulatory requirements.	Critical	Legal penalties, reputational damage, operational disruptions.	Immediate escalation, legal consultation, corrective action.

Important Notes

- The matrix format helps standardize exception handling across departments.
- Regular reviews are necessary to ensure relevance to current regulations and business risks.
- All exceptions should be logged and reviewed for patterns and potential improvements.
- Severity and impact assessments must be updated as organizational priorities change.
- Immediate mitigation steps are crucial for high and critical severity exceptions.