



Bringing In Revenues  
for Nation-Building

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE



REVENUE MEMORANDUM ORDER NO. 030-2025

**TO :** All Revenue Officials, Employees, and Others Concerned

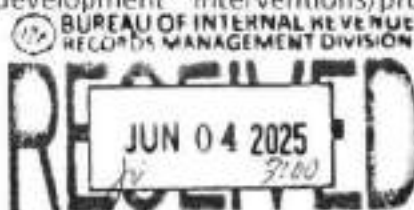
**SUBJECT :** Competency-Based Human Resource Management System (CBHRMS) in the Bureau of Internal Revenue

**I. BACKGROUND**

As part of the BIR's initiative to achieve the highest level of recognition in the Civil Service Commission's Program to Institutionalize Meritocracy and Excellence in Human Resource Management (CSC PRIME-HRM), the Human Resource Development Service (HRDS) has developed and integrated a Competency-based Human Resource Management System (CBHRMS) into its four (4) core HRM systems: Recruitment, Selection and Placement; Learning and Development; Performance Management; and Rewards & Recognition. The development and implementation of CBHRMS align with the PRIME-HRM Enhanced Maturity Level Indicators, as specified in CSC Memorandum Circular (MC) No. 24, s. 2016, to ensure that BIR's HRM practices meet the highest standards of excellence, professionalism, and institutionalization.

To support this, BIR has moved from a process-defined HRM approach to a competency-based approach, involving identification and development of knowledge, skills, and attitudes (competencies) needed for success. This transition can be achieved through training, skill building, learning interventions, and improved workforce planning and hiring practices. Ultimately, leading to improved job performance and satisfaction. This shifts the focus from processes to the capabilities of individuals and how they contribute to organizational goals.

CBHRMS is beneficial both to the employees and the management as it offers a standard structure for recruitment, selection and placement, learning and development, work expectations, performance evaluation, career advancement paths, and rewards and recognition. It minimizes personal bias and subjectivity in hiring and promotion decisions, ensuring that employees are well-suited for their roles. Furthermore, the appropriate learning and development interventions/programs will be designed, developed,



implemented, and evaluated within the right time frame to help employees achieve the required competency levels for career pathing and succession planning. By following the standards implemented through CBHRMS, employees receive the necessary support, training, capability-building interventions, and career development opportunities to achieve their performance goals while contributing to the Bureau's mission of delivering efficient and effective public service.

## II. OBJECTIVES

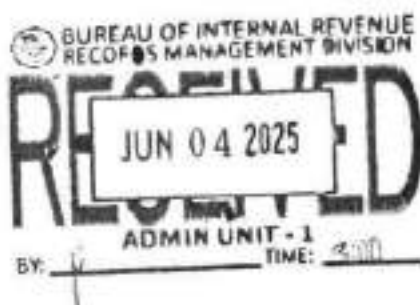
This Order is issued to:

1. Discuss the theory and best practices of competency modeling, identification, and assessment as a foundation for the four (4) core pillars of PRIME-HRM: Recruitment, Selection and Placement, Learning and Development, Performance Management, and Rewards & Recognition; and
2. Prescribe policies for the effective implementation of CBHRMS in the BIR to ensure a consistent, competency-based approach across all HRM systems.

## III. SCOPE AND COVERAGE

This Order shall apply to:

1. All BIR employees involved in the processes of recruitment, selection, placement, performance management, learning and development, and rewards and recognition;
2. All four (4) core human resource management systems: Recruitment, Selection, and Placement; Learning and development; Performance Management; and Rewards and Recognition;
3. Workforce planning, career and competency development, and succession planning initiatives within the Bureau; and
4. All BIR employees, regardless of position or salary grade, across all offices within the Bureau, to ensure that they consistently demonstrate the required competencies for the effective performance of their duties and responsibilities.



#### IV. DEFINITION OF TERMS

1. **Baseline Position Profile** – provides a detailed list of competencies and proficiency levels required for each position to ensure relevance, clarity, consistency, and fairness in job expectations and performance evaluations across the Bureau.
2. **Behavioral Indicators** – demonstrated actions that indicate the presence of competency (knowledge, skills, attitudes and other attributes) at a particular proficiency level.
3. **Check-and-Stop Method** - is a competency mapping technique in which functional competency is assessed for its relevance and applicability to a specific position. This method is also used for the leadership competencies of SG18-23 positions.
4. **Competency** – defined as observable and measurable complement of knowledge, skills, and attitudes essential for successful job performance.
5. **Competency Definition** – a clear and concise description of competency and its importance within the BIR context.
6. **Competency Dictionary** – the official reference document defining the competencies required within the BIR. It contains detailed competency tables for each identified competency.
7. **Competency Framework** – blueprint of the design, development, implementation, integration, monitoring, evaluation, and assessment of the CBHRMS for the BIR.
8. **Competency Mapping/Profiling** – the process of identifying the required competencies and proficiency levels for each position to create a standardized baseline position profile within the Bureau.
9. **Competency Modeling** – the process of identifying and defining the knowledge, skills, and attitudes required within the BIR. It is a framework that helps agencies align their human resource management practices with their strategic goals.
10. **Competency Table** – a structured outline consisting of the competency cluster, competency definition, rubrics/4-proficiency levels and descriptions, and behavioral indicators of each competency to provide understanding of how a particular competency is demonstrated.



11. **Core Competencies** – fundamental knowledge, skills, and attitudes required for all BIR employees, regardless of their function or role.
12. **Cluster code** – represents the identification of the competencies based on Core (e.g., C1, C2, C3...), Leadership (e.g., L1, L2, L3...), and Functional (e.g., F1, F2, F3...) classifications.
13. **Floor-and-Ceiling Method** – is a competency mapping technique in which a specific proficiency level for each of the core competency is mapped across a range of positions— from the lowest (floor) to the highest (ceiling) salary grades or position levels.
14. **Functional Competencies** – job-specific skills and technical knowledge required to perform duties effectively. These competencies vary depending on the employee's function or role.
15. **Leadership Competencies** – competencies essential for officials and employees in leadership and management roles, including those in the pipeline for succession planning.
16. **Proficiency levels or competency levels** – refer to a scale that outlines varying levels of progression for each competency. These levels reflect the increasing depth of expertise, responsibility, and complexity expected at different salary grades or job positions.
17. **Rubric** – refers to the explicit criteria that tells "what counts" in assessing demonstration of the competencies.
18. **Rubric description** – serves as reference in determining behavioral indicators.

## V. POLICIES

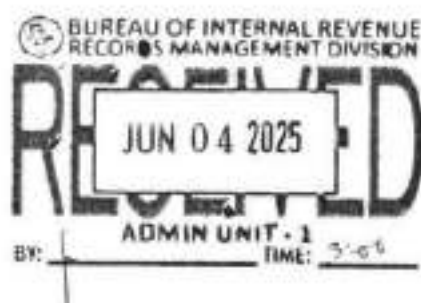
1. Competencies shall refer to the integrated set of knowledge, skills, and attitudes that all employees are expected to demonstrate in the effective fulfillment of their roles and responsibilities. These competencies are anchored on the BIR's vision and mission, core values, strategy map, and mandate. All BIR employees are required to develop, apply, and continuously enhance these competencies to meet established performance expectations, support organizational goals, and uphold the standards of excellence in public service.



2. The Competency Model and Profiles shall align with the standards set by the CSC PRIME-HRM Maturity Level 3, which emphasizes the integration of CBHRMS into the key areas of human resource management. This model ensures that employee competencies are aligned with the Bureau's organizational anchors, i.e., mission, vision, core values, strategic goals and directions, equipping personnel with the essential knowledge, skills, and attitudes for effective job performance. Competency modeling and job profiling will provide a platform for more objective, fair, and defensible human resource management processes for the Bureau.

The Competency Modeling shall consist of the following three (3) components:

- a. Competency Framework
  - b. Competency Model
  - c. Competency Dictionary
3. The **CBHRMS Framework**, as shown below, shall serve as the blueprint of the Bureau's journey towards institutionalizing meritocracy and excellence in delivering public service. It shall guide the Bureau in integrating the competency-based principles into its human resource management policies, practices, and processes to ensure a strategic, consistent, and objective approach to workforce development.

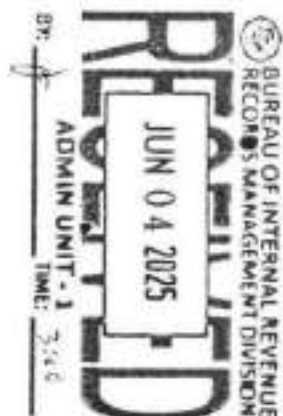


The framework is represented as a wheel, with the Bureau's competency clusters and functional group forming its structure. At the center is the BIR logo, symbolizing the agency's mandate, aspiration, mission, and core values, which serve as the foundation of the Bureau's competency journey. The middle blue gradient layer represents the five functional groups: Office of the Commissioner (OCIR), Legal Group (LG), Information Systems Group (ISG), Resource Management Group (RMG), and Operations Group (OG). Surrounding these functional groups are the competencies represented by a color derived from the BIR logo and the Philippine flag, and clustered into Core, Leadership, and Functional competencies. This



framework reflects the BIR's cohesiveness, with its workforce moving as one towards service excellence.

4. The **BIR Competency Model**, represented by Competency Tables, shall be composed of the following elements:
  - a. Competency Name identified from the organizational anchors
  - b. Competency Definition aligned with the determined Competency Cluster
  - c. Rubrics/4-proficiency levels and Descriptions of each level per competency that are aligned with the competency definition
  - d. Behavioral Indicators per rubric/proficiency level aligned with respective level description
5. The BIR shall adopt a systematic and strategic approach in identifying competencies to ensure alignment with its organizational mandate, strategic direction, and performance standards. The following processes and approaches shall be observed:
  - a. Competency identification shall align with the BIR's vision, mission, and core values to ensure employees support the agency's purpose and direction.
  - b. The BIR's organizational structure shall be reviewed to establish a clear understanding of job roles and responsibilities, forming the basis for determining required competencies.
  - c. Existing job descriptions and Key Performance Indicators (KPIs) shall be analyzed to identify the specific knowledge, skills, and attitudes contributing to high performance in each role.
  - d. The BIR's strategy map and Major Final Outputs (MFOS) shall be utilized to determine the competencies necessary for delivering strategic priorities and achieving key organizational outcomes.
  - e. Competencies shall be benchmarked against best practices from other government agencies to guide the selection of relevant competencies.
6. Competencies shall be defined using the following elements:
  - a. Competency name – Reflects the complement of knowledge, skills, and attitude manifested through observable behaviors.
  - b. Competency definition – Includes a behavioral action word, describes how the work is performed, indicates output aligned with the BIR's strategic goals, and highlights the expected quality of outcomes.
  - c. Rubrics/4-Proficiency levels and Description - Each competency shall be further defined using rubrics across four (4) proficiency levels: Basic (Level 1), Intermediate (Level 2), Advanced (Level 3), and Superior (Level 4). These levels

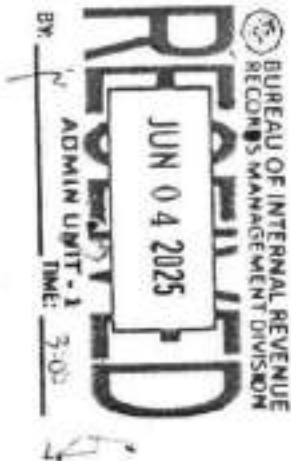


shall reflect the depth of expertise, responsibility, and complexity expected at different salary grades or job positions. Progression through these levels shall be guided by the following dimensions:

- i. Intensity – Degree of involvement or completeness of action
  - ii. Vertical Complexity – Considering more people, data, figures, concepts, ideas, etc. into account
  - iii. Horizontal Complexity – Ranging from simple and routine to highly intricate or complex
  - iv. Scope – Similar tasks in a narrow environment to increased tasks in a broad environment
  - v. Time horizon – Action planning on anticipated future situation
  - vi. Breadth of impact – Number of positions or people or job groups affected
  - vii. Autonomy – Degree of supervision or level of decision-making power
  - viii. Context – From a narrowly defined work environment to multiple or wide variety of work environments
- d. Behavioral indicators - At each rubric/proficiency level, specific behavioral indicators shall be defined to describe how competency is demonstrated. These indicators must be observable, measurable, verifiable, and capable of being developed through training or other capacity-building interventions. Each behavioral indicator shall include a behavioral action word, object of the action, and the corresponding attribute or expected output.

7. The BIR shall maintain a **Competency Dictionary** (Annex A), which shall serve as the official, standardized reference tool for the Bureau's human resource management and organizational development initiatives. The Competency Dictionary consists of seventy-two (72) competencies, categorized as follows:

- a. Core Competencies (8 competencies) – Applicable to all positions within the Bureau; when identifying core competencies, the Build Approach (as against Buy/Borrow, Borrow-and-Modify, or Buy-and-Modify), is the most appropriate since the organization is a unique entity that exists in a specific environment. The process of identifying core competencies for the BIR begins with a review of its culture, mission, aspiration, values, and strategic goals.
- b. Leadership Competencies (6 competencies) – Applicable to leadership or managerial positions. In identifying competencies of managers/leaders of the organization the Competency Menu Method can be a good option because of the many well-researched management and leadership competency models that are available. The BIR developed one leadership competency (L1) and adopted five (5) additional leadership competencies (L2-L6) from the CSC pursuant to CSC MC No. 05, s. 2016; and



- c. Functional Competencies (58 competencies) – Specific to job roles or offices based on technical or operational requirements. For technical or functional competencies, all approaches to competency modelling (Buy, Buy-and-Modify, Borrow-and-Modify, and Build) may be used. The Build Approach, however, is still the best way to develop a competency model (for the BIR) that responds precisely to the needs of the Bureau.

The Competency Dictionary shall be utilized for the following purposes:

- a. Identifying and mapping competencies required for specific positions;
- b. Developing competency-based job descriptions for all positions within the Bureau;
- c. Guiding assessment of candidates through competency-based interviews and selection tools and techniques;
- d. Assessing employee's current competency levels to support career and competency development, succession planning, and performance management; and
- e. Designing, developing, and implementing competency-based learning and development programs tailored to the Bureau's needs.

8. The BIR shall establish a **Baseline Position Profile** (Annex B) outlining the required competencies and corresponding proficiency levels for each plantilla position within the Bureau. The following techniques shall be employed in mapping the competency requirements for each position:

- a. Floor-and-Ceiling Method - a specific proficiency level is mapped across a range of positions— from the lowest (floor) to the highest (ceiling) salary grades or position levels. This method ensures consistent competency expectations across all job levels.
- b. Check-and-Stop Method – a competency is assessed for its relevance and applicability to a specific position. The process involves reviewing the competency definition and its behavioral indicators, checking those that align with the position's duties and responsibilities, and stopping when a behavioral indicator is no longer relevant. This method ensures that only applicable competencies are assigned, resulting in a focused and role-specific competency profile.

9. The Floor-and-Ceiling Method shall be used to map the Core Competencies. The required proficiency levels for Core Competencies shall be as follows:





Salary Grade (SG)	Required Proficiency Level
SG 2-14	Basic
SG 15-18	Intermediate
SG 19-24	Advanced
SG 25 & above	Superior

10. For Functional competencies, the Head of Office shall be responsible for identifying and mapping the required competencies and proficiency levels for each position within their respective offices, using the Check-and-Stop Method. This process shall be based on the defined roles, responsibilities, and functional requirements of the position.
11. The BIR shall adopt the leadership competencies prescribed by the CSC for officials occupying Division Chief positions and above, and shall apply the Check-and-Stop Method for mapping the leadership competencies of positions within SG 18-23. The required proficiency levels for Leadership competencies shall be as follows:

Salary Grade (SG)	Required Proficiency Level
SG 18-23	Basic
SG 24	Intermediate
SG 25-27	Advanced
SG 28	Superior

*Note: Employees with SG 18 or higher who are not in supervisory positions (e.g., Attorney II) shall not be required to manifest leadership competencies.*

12. All HRM processes, including recruitment, selection, placement, learning and development, performance management, and rewards and recognition, shall be competency-based to ensure merit-based, objective, and strategic human resource management within the Bureau.
13. All policies, guidelines, and processes governing the four (4) core HRM systems- Recruitment, Selection and Placement; Learning & Development; Performance Management; and Rewards & Recognition- shall be formulated in alignment with the CSC PRIME-HRM Enhanced Maturity Level Indicators, as outlined in CSC Memorandum Circular No. 24, s.2016. This ensures the seamless integration of HR processes within the CBHRMS.
14. A BIR CBHRMS Manual shall be developed by the TWG to serve as a guidebook for the implementation of CBHRMS in the Bureau. This manual shall define key concepts, tools, methodologies, processes, forms, and templates necessary for effective implementation. All offices responsible for implementing CBHRMS in the BIR shall be guided by the BIR CBHRMS Manual in ensuring the adoption of the system in its processes.



15. The BIR Competency Model, Competency Dictionary, and Baseline Position Profiles shall be periodically reviewed and updated as necessary to maintain alignment with the Bureau's strategic goals and CSC PRIME-HRM standards. Any enhancements and/or revisions shall require the approval of the Commissioner before implementation.

#### VI. REPEALING CAUSE

All other revenue issuances and/or portion(s) thereof that are inconsistent herewith are hereby revoked and/or amended accordingly.

#### VII. EFFECTIVITY

This Order shall take effect immediately.



**ROMEO D. LUMAGUI, JR.**  
Commissioner of Internal Revenue

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