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Mid-Year Outlook

Insights from finance & accounting
leaders at clinical-stage biopharma

2025



In an increasingly capital-constrained and compliance-driven environment, finance and accounting leaders in biopharma are being called upon to deliver more precision, speed, and strategic insight, often with limited resources.

This mid-year outlook survey captures the priorities, pain points, and emerging practices shaping today's financial operations across clinical-stage companies.

Breakdown of survey respondents

80% Pre-revenue, clinical-stage companies.

20% Commercial with clinical footprint.

Roles: C-suite finance and accounting, VP-level, Controller, and Senior Director.

INSIGHT 1

85%

of companies are exploring
strategic partnerships for funding

INSIGHT 2

49%

of life sciences leaders point to
fundraising as the driving force behind
strategic decisions

INSIGHT 3

80%

of finance leaders have at least
moderate confidence
in company success

INSIGHT 4

#1 Concern

for clinical trials is the cost to
conduct trials in the U.S.

INSIGHT 5

95%

of companies are employing stronger cost
controls and/or spend visibility measures

INSIGHT 6

80%

of biopharma leaders report heightened audit scrutiny in the past year

INSIGHT 7

84%

cite clinical trial and R&D expenses as the most effort-intensive audit area

INSIGHT 8

71%

respondents are under-resourced or need greater efficiency to keep pace with clinical trial demands

INSIGHT 9

67%

of organizations surveyed take nine or more days to close their books.

INSIGHT 10

>80%

of companies are turning to automation for reduced time to close

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2025 Mid-Year Outlook

Market Sentiment

Strategic Priorities

Audit Temperature

Resources & Efficiency

Insight Details



INSIGHT 1

85% of companies are exploring strategic partnerships for funding.

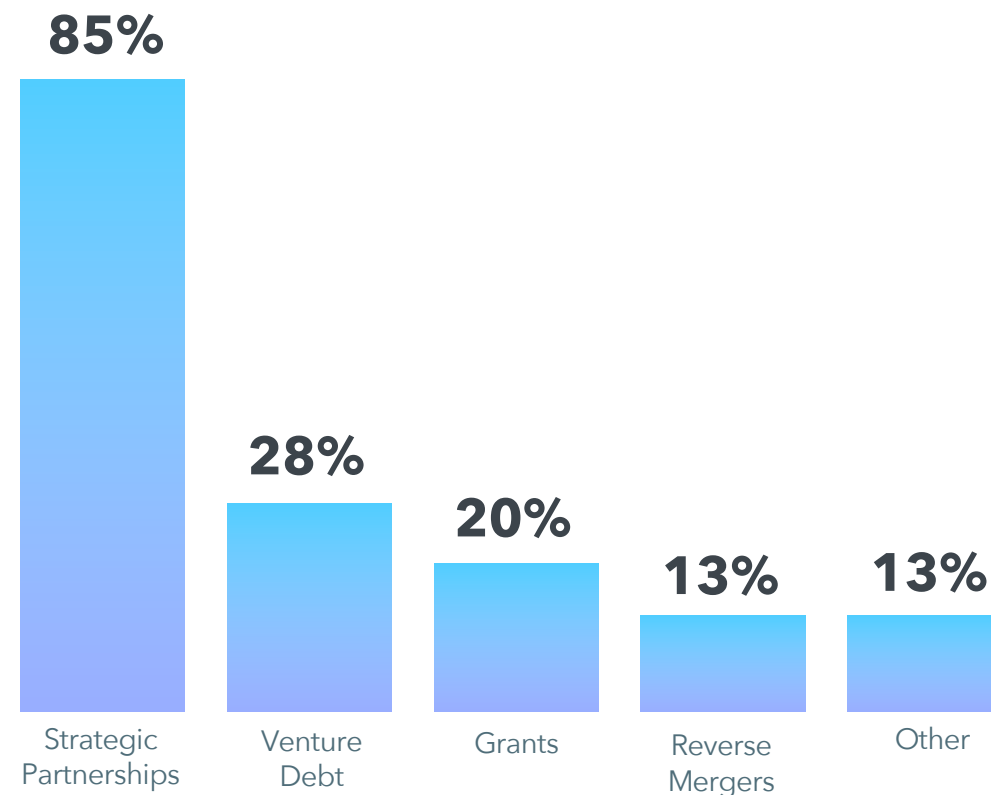
Overwhelmingly, it's clear that companies are increasingly prioritizing collaborative, non-dilutive funding models over traditional capital, reflecting a shift toward resourceful, partnership-driven growth.

With traditional capital tightening, financial leaders are rethinking how to extend runway and advance pipelines without sacrificing equity. As biotech CFOs lean into partnerships for capital-efficient growth, process control and oversight over R&D and clinical finances is paramount.

TAKEAWAY

Strategic partnerships are replacing VC.

Alternative Funding Sources Used by Biotech Companies



INSIGHT 2

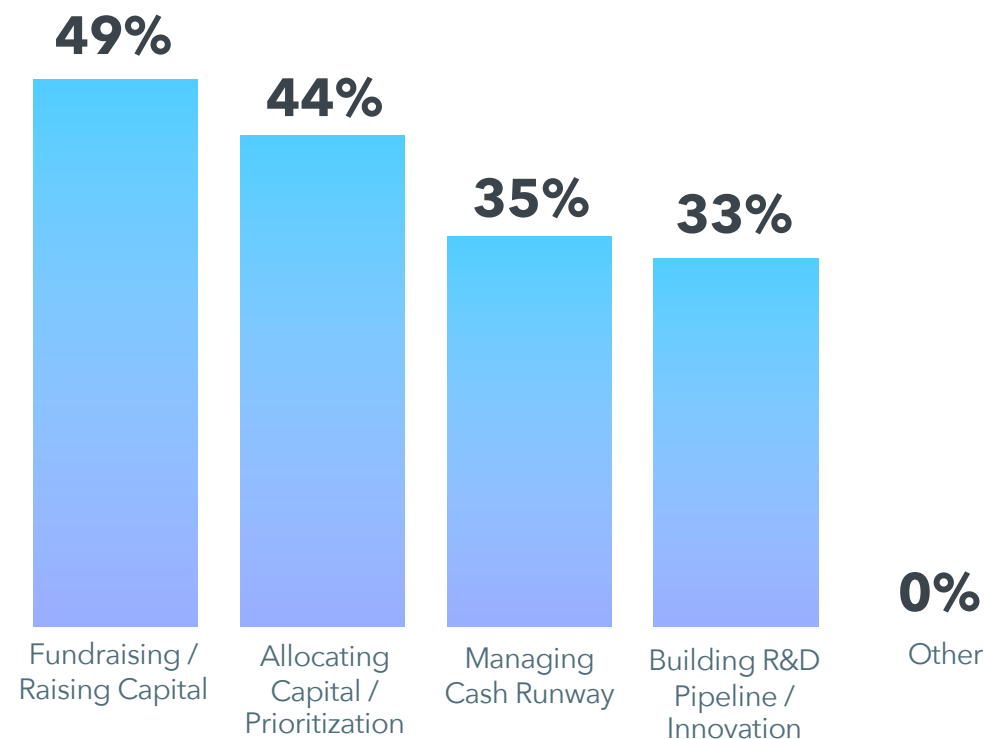
Nearly half of life sciences leaders point to fundraising as a driving force behind strategic decisions.

Capital is still king, with 49% of leaders citing fundraising as their top strategic priority. This outpaces concerns like cash runway, capital allocation, and even innovation. The data underscores a shift: strategic decisions are being driven less by operational execution and more by access to financial lifelines.

TAKEAWAY

Capital strategy isn't just important - it's defining.

Top Strategic Priorities Influences Biotech Organizations Today



INSIGHT 3

80% of finance leaders have at least moderate confidence in company success.

While no respondents expressed a lack of confidence, the vast majority report moderate or slight confidence in their company's ability to succeed in the current environment – underscoring a cautious optimism shaped by today's uncertain environment.

TAKEAWAY

Confidence amid uncertainty signals industry resilience.



INSIGHT 4

#1 concern for clinical trials: Cost to conduct trials in the U.S.

For clinical-stage biotechs, the top concern isn't regulatory hurdles or competition, it's the escalating cost of conducting trials in the U.S. Biotech finance leaders are under intense pressure around trial budgets and site economics. This underscores a growing urgency to manage spend, optimize trial design, and explore global or decentralized strategies to sustain progress.

TAKEAWAY

Trial cost anxiety drives urgency to manage spend and budgets.

How concerning are these market factors for your clinical trials?

#1

Cost to conduct trials in the U.S.

#2

Economic environment

#3

Competition within a Tx category

#4

FDA review timeline

#5

Staffing with clinical research

INSIGHT 5

95% of companies are employing stronger cost control or spend visibility measures.

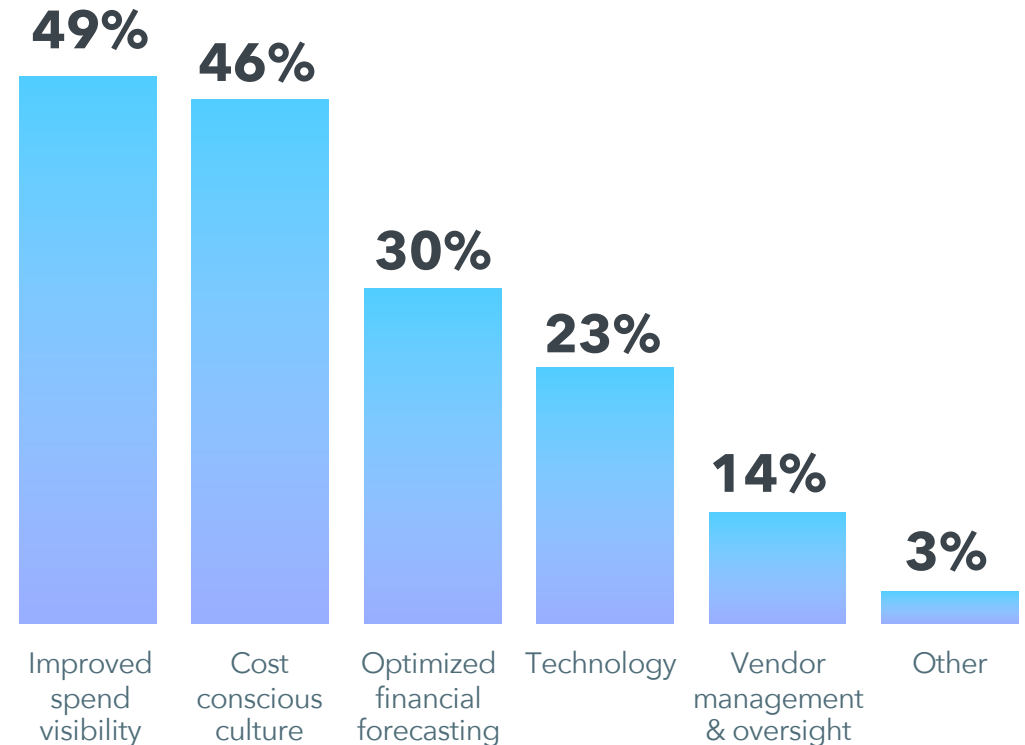
Biopharma Finance leaders are responding to financial pressure by doubling down on fundamentals. 46% are prioritizing stricter cost controls, while half are focused on improving spend visibility, particularly across R&D.

Fewer are fully leveraging automation or advanced forecasting, signaling untapped potential in driving efficiency through technology.

TAKEAWAY

Efficiency is the mandate.

How are biopharma companies controlling costs and gaining efficiency?



INSIGHT 6

80% of biopharma leaders report heightened audit scrutiny in past year

Corporate controllers and finance leaders are feeling the downstream effects of increased PCAOB pressure on audit firms to elevate audit process quality and rigor.

Only 20% of Controllers and CFOs say they've *rarely* experienced heightened audit scrutiny over the past year. The majority are feeling audit pressure intensify, observing heightened audit scrutiny over controls. Expectations around documentation, precision, and process integrity are intensifying – placing greater demands on controllership functions to be audit-ready year-round.

TAKEAWAY

Audit pressure is the new normal and controllership needs to stay audit-ready

INSIGHT 7

84% cite clinical trial and R&D expenses as the most effort-intensive audit area.

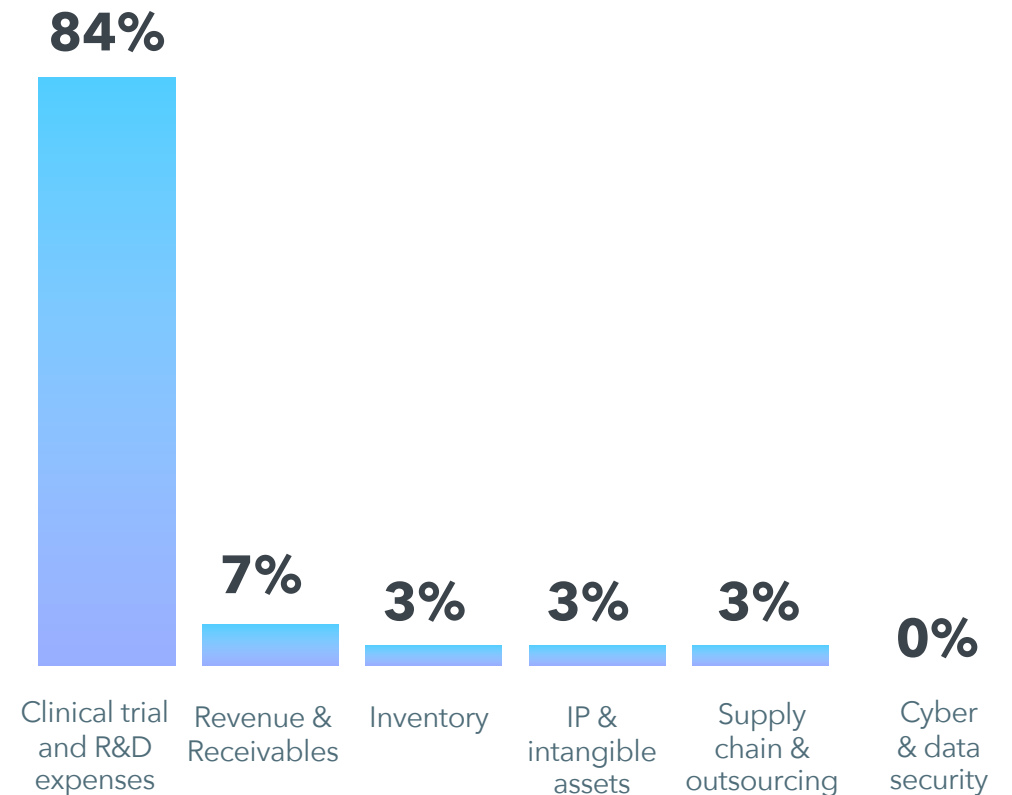
For pre-commercial life science companies, it's clear that clinical trial and R&D expenses dominate the audit effort, driven by financial materiality, fragmented data, traditional manual workload, volatility and third-party dependencies. Other areas of audit focus include revenue and receivables, IP and intangibles, inventory, supply chain and outsourcing.

For controllers, adopting SOX-compliant automation technology offers a powerful opportunity to improve auditability, reduce manual workload, and deliver the transparency and control auditors increasingly expect.

TAKEAWAY

Outsourced R&D spend and clinical accounting draws audit focus.

Which financial reporting area constitutes the highest effort during the audit?



INSIGHT 8

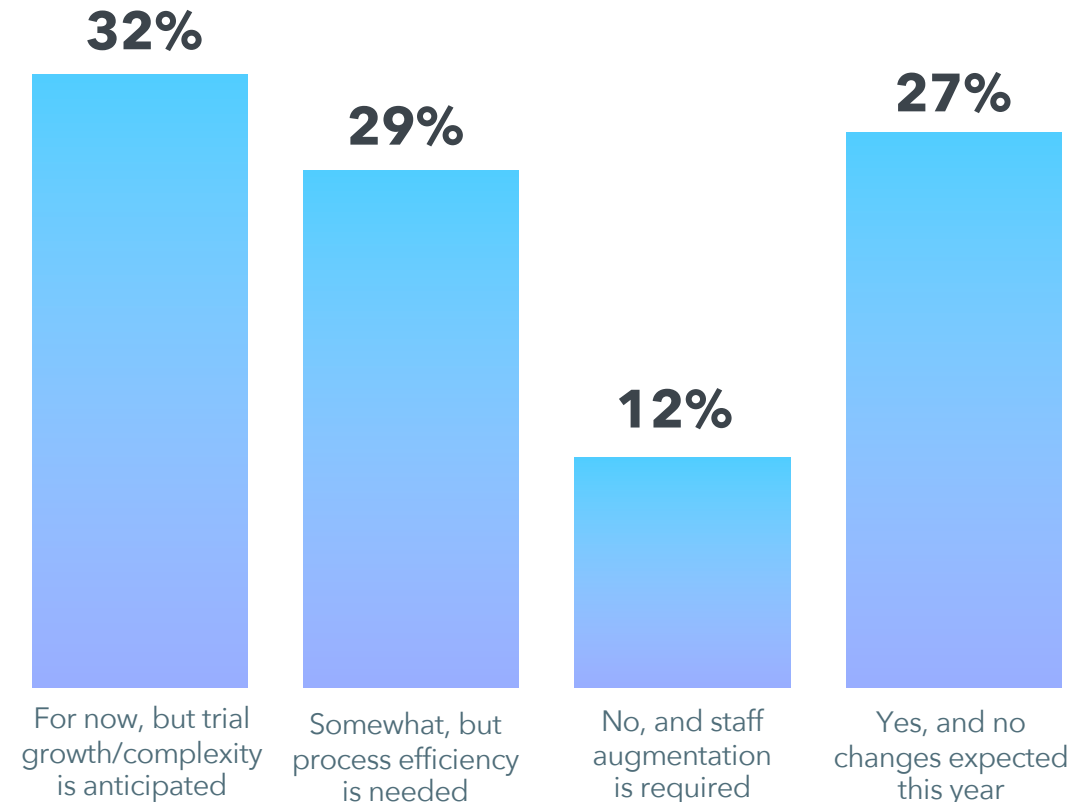
71% of respondents are under-resourced or need greater efficiency to keep pace with clinical trial demands.

As R&D pipelines expand, finance teams face a clear mandate: Scale smarter – through process automation, staffing strategies, or both – to meet the rising complexity of clinical financial reporting.

TAKEAWAY

Clinical trial demands are outpacing accounting resources.

Are accounting and controllership adequately staffed and resourced for demands of clinical trial accruals and R&D expense reporting?



INSIGHT 9

67% of companies take nine or more days to close their books

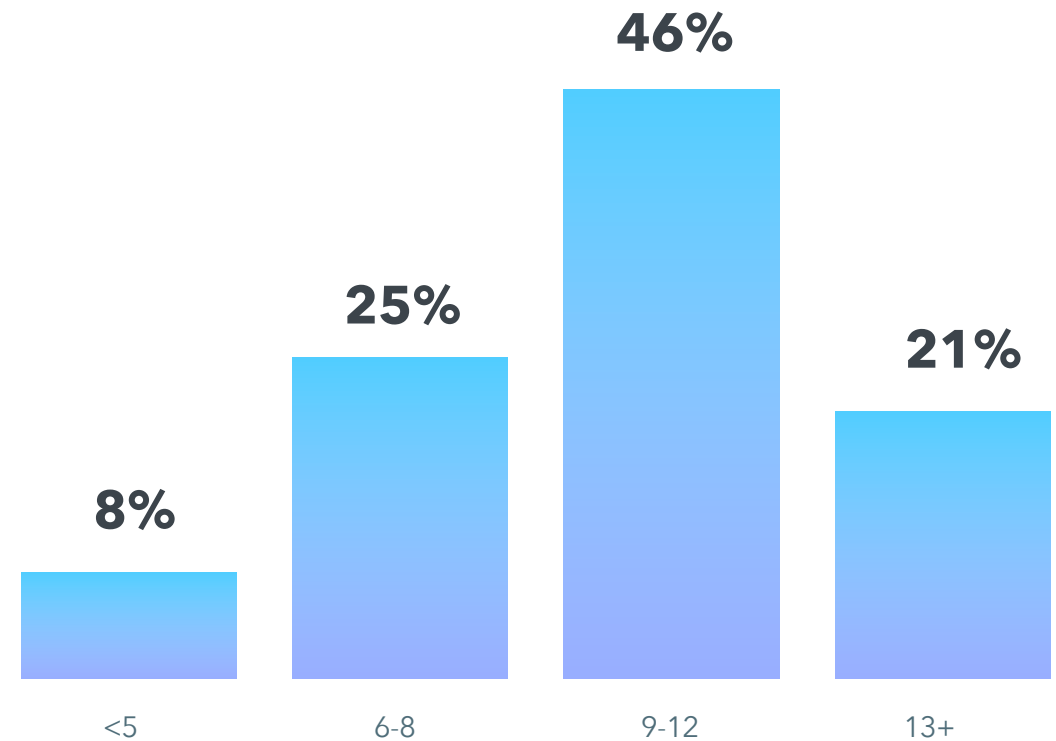
While a 9-12 day close remains common across biopharma, it lags behind broader industry standards. Only 6% close in 3-5 days – this is typically achieved by companies with highly automated systems and mature, integrated processes, suggesting this level of speed is still rare in biopharma.

As audit scrutiny increases and reporting timelines tighten, closing the books faster with accuracy will increasingly require improved visibility, automation, and process standardization.

TAKEAWAY

Speed to close remains elusive for biopharma.

On average, how many days does it take your company to close its books after a typical quarter?



INSIGHT 10

Over 80% of companies are turning to automation for reduced time to close.

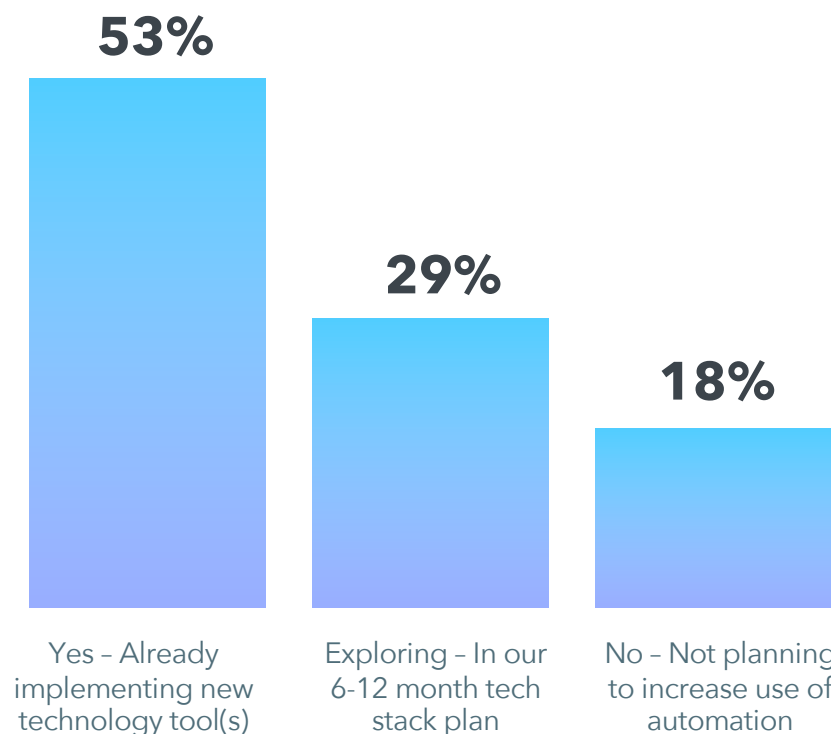
Over 80% of respondents are either actively implementing or planning to adopt automation and financial technology to accelerate the close process, signaling a strong shift toward tech-enabled efficiency across the biopharma finance function.

For those yet to act, the gap may widen as peers modernize their operations and reporting timelines.

TAKEAWAY

Biopharma finance is accelerating toward automation.

Do you plan to increase the use of automation tools and/or financial, accounting technology to reduce your time to close?



Life science finance teams are under pressure to **do more with less.**

Leaders investing in automation, audit readiness, and scalable operations, particularly for R&D and clinical trial financial management, are positioning their organizations to thrive in today's complex, capital-constrained environment.



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