

LEADERS IN TRANSITION · INTERVIEW PREP

Assess Your Employer: Financial Due-Diligence Questions

When you interview, you're also interviewing them. For a senior leader, the financial health and runway of a prospective employer is as important as the role itself. Use these questions to test the foundations before you say yes — and to judge how much room you'll have to make an impact.

HOW TO USE THIS

Work these into conversations with the CEO, CFO, and board. You won't get every answer, but the questions a company will and won't engage with tell you a great deal about its candor and its health.

CASH & RUNWAY

01 Cash Position

- What is the current total amount of cash and equivalents on hand?

02 Burn Rate

- What is the current monthly (net) burn rate, and how has it trended over the last year?

03 Runway

- What is the runway forecast based on the projected program development plan?

04 Zero-Cash Date

- Under the current plan, what is the projected zero-cash date — and what are the key assumptions behind it?

05 Downside Case

- What does the downside scenario look like, and what is the contingency if a key readout slips or misses?

THE CAPITAL STACK

06 Last Round & Valuation

- What were the terms and post-money valuation of the most recent round?

07 Venture Debt & Obligations

- Is there any venture debt or other obligation, and are there covenants that constrain spend or hiring?

08 Option Pool

- How is the option pool sized, and how much remains available to grant for new hires and the team?

INVESTORS & THE NEXT ROUND

09 Backers & Commitment

- Who are the key VC backers, and are they committed to the next raise — or are you looking to exit and replace them?

10 Insider Support

- What insider participation is expected next round (pro-rata, an inside-led bridge), and how aligned is the syndicate?

11 Next Inflection Point

- What is the next key data inflection point needed to satisfy current backers or attract new investment?

12 Financing Vehicles & Dilution

- What vehicles will fund the business going forward — debt, a priced round, a bridge — and what dilution is expected?

STRATEGY, GOVERNANCE & EXIT

13 The Endgame

- What is the eventual plan — partner to launch, position for acquisition, or launch independently?

14 Board Alignment

- Has the board approved the current operating plan and budget, and where do management and board disagree?

15 If Changing Modality

- If the company is moving into a new modality: how will developing that asset affect the current burn rate and cash runway?

READING THE ANSWERS

GREEN FLAGS

Specific numbers offered without hesitation; a clear zero-cash date and named next inflection point.

Lead investors committed to the next round, with pro-rata or an inside-led bridge already discussed.

Board and management aligned on the operating plan; a credible downside contingency exists.

RED FLAGS

Vague or evasive answers on cash, burn, or runway — or numbers that don't reconcile.

Less than ~12 months of runway with no financing plan, or investors signalling they won't follow on.

The next raise depends entirely on a single binary readout, with no plan B; visible board–management tension.

PHASE 3 · CAREER COACHING

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