



PHARMA

Large pharma companies reduced headcounts by more than 22K in 2025 as \$300B patent cliff looms

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[layoffs](#)[job cuts](#)[Eli Lilly](#)[Novo Nordisk](#)

A head count contraction comes as the biopharma industry braces for a massive \$300 billion patent cliff in prescription drug revenues between 2025 and 2030. (iStock / Getty Images Plus)

Large pharmaceutical companies, each with at least \$20 billion in 2025 revenue, collectively reduced their workforces by more than 22,000 employees last year.

Among the 17 largest pharma companies analyzed in a Fierce Pharma review of annual reports, only five logged a head count increase in 2025*. In contrast, the immediate impact of job reductions on efficiency was evident: All but one company recorded growth in revenue per employee.

Pharma giants are apparently entering a correction phase in terms of size. Back in 2022, only three of the 17 firms we tracked recorded a workforce cutback.

This head count contraction comes as the biopharma industry braces for a massive [\\$300 billion patent cliff](https://www.evaluate.com/thought-leadership/portfolio-tactics-to-scale-the-300bn-patent-cliff/) (<https://www.evaluate.com/thought-leadership/portfolio-tactics-to-scale-the-300bn-patent-cliff/>) in prescription drug revenues between 2025 and 2030. To maintain profits, many companies have resorted to cost cuts and layoffs. The trend will likely continue, as several companies such as Pfizer and Merck & Co. remain in the midst of multiyear restructuring programs.

However, the scale of these head count reductions appears more moderate when viewed through the lens of a longer time frame. Despite recent divestitures and savings initiatives, the net head count reduction across these 17 companies over the 2021-25 period was about 12,000. This smaller decline can be attributed to major workforce expansions at GLP-1 heavyweights Eli Lilly and Novo Nordisk, which together added more than 36,000 jobs during the period to support their booming diabetes and obesity franchises.

Compared with 2021, Novo Nordisk's full-time employee count surged 43.9% to nearly 68,800 in 2025, while Lilly's head count jumped 42.9% to about 50,000.

Lilly is only one of three pharma companies—alongside AstraZeneca and Amgen—to have consistently increased its total employee numbers every year since 2021. But Lilly's 2025 expansion of roughly 3,000 employees (6.4%) was eclipsed by Amgen's 3,500-person (12.5%) scale-up, the largest jump among its peers last year.

However, while Amgen's rapid workforce buildup resulted in a 2% decrease in its revenue per employee—making it the only firm to see a negative movement in this metric—Lilly's growth told a different story. Driven by the impressive [commercial success \(https://www.fiercepharma.com/pharma/even-pricing-headwinds-eli-lilly-expects-sales-continue-surge-2026\)](https://www.fiercepharma.com/pharma/even-pricing-headwinds-eli-lilly-expects-sales-continue-surge-2026) of its tirzepatide products, Mounjaro and Zepbound, Lilly's team expansion was accompanied by a staggering 36% gain in revenue per employee, the largest in this cohort of large pharmas.

AstraZeneca also maintained steady growth over the past five years, increasing from 83,100 employees in 2021 to 96,100 in 2025, including 1,800 new roles (1.9%) added last year.

As to Novo, the Danish drugmaker had been on an aggressive growth path, with annual workforce increases consistently outpacing its peers, including Lilly, since 2021. But that upward trajectory took a sharp turn last year. As GLP-1 sales [disappointed \(https://www.fiercepharma.com/pharma/novo-shares-plummet-sales-profit-warning-26\)](https://www.fiercepharma.com/pharma/novo-shares-plummet-sales-profit-warning-26) and competition from both Lilly and compounders mounted, Novo shifted from an industry-leading 20.4% team expansion in 2024 to a 9.8% head count reduction in 2025, the deepest cut by percentage rate among the companies we evaluated.

After adding nearly 13,000 full-time equivalents in 2024, reaching about 76,300 staffers at the end of that year, the Danish pharma eliminated about 7,500 positions last year. The major 2024 increase also benefited from Novo's acquisition of [three Catalent sites \(https://www.fiercepharma.com/pharma/novo-holdings-antes-165b-poach-catalent-selling-three-fill-finish-sites-novo-nordisk\)](https://www.fiercepharma.com/pharma/novo-holdings-antes-165b-poach-catalent-selling-three-fill-finish-sites-novo-nordisk), which contributed nearly 3,200 employees—full-time and part-time—to Novo's total head count.

The dramatic growth and subsequent cuts made Novo the most unstable company within our cohort based on a standard deviation calculation benchmarked against each firm's size.

In contrast, Roche experienced the fewest fluctuations in head count between 2021 and 2025, with the most dramatic a 2.7% increase in 2022, followed by minor changes*. The Swiss pharma weathered an earlier loss-of-exclusivity phase when [biosimilars \(https://www.fiercepharma.com/pharma/roche-hit-by-worst-case-scenario-biosim-assault-as-covid-19-hurts-new-king-ocrevus\)](https://www.fiercepharma.com/pharma/roche-hit-by-worst-case-scenario-biosim-assault-as-covid-19-hurts-new-king-ocrevus) to its former megablockbuster oncology troika of Avastin, Herceptin and Rituxan arrived in the late 2010s.

Industrywide cost cuts

Novo was apparently still adding new positions in the first few months of 2025, prior to the reveal of a major [restructuring \(https://www.fiercepharma.com/pharma/novo-nordisk-lay-9000-workers-new-ceo-aims-save-13b-year-late-2026\)](https://www.fiercepharma.com/pharma/novo-nordisk-lay-9000-workers-new-ceo-aims-save-13b-year-late-2026) under new CEO Mike Doustdar in September. Under that initiative, the company aims to save about 8 billion Danish kroner a year by the end of 2026 by laying off around 9,000 employees. The company's total number of positions announced at the time was about 78,400.

Several other Big Pharma firms have launched business overhauls in the past five years, some following senior leadership changes and some directly tied to patent expiries of top-selling products.

Under another new CEO initiative, Bayer [began a reorganization](https://www.fiercepharma.com/pharma/bayer-ceo-bill-anderson-makes-mark-major-restructuring-significant-job-cuts) (https://www.fiercepharma.com/pharma/bayer-ceo-bill-anderson-makes-mark-major-restructuring-significant-job-cuts) in 2024 as Bill Anderson streamlined the German conglomerate's structures. By the end of 2025, Bayer had about 88,000 employees, versus around 100,000 before the reorg.

Takeda, pressured by a generic assault on its attention-deficit/hyperactivity disorder drug Vyvanse, [entered](https://www.fiercepharma.com/pharma/takeda-plots-path-profitability-900m-restructuring-plan) (https://www.fiercepharma.com/pharma/takeda-plots-path-profitability-900m-restructuring-plan) a companywide restructuring in 2024. The Japanese pharma will release full fiscal-year 2025 results in May, but it already counted around 1,800 (3.7%) fewer employees as of the end of March 2025 than it did the year before despite steady increases in prior years.

Shortly after becoming Bristol Myers Squibb's CEO, Chris Boerner, Ph.D., [initiated](https://www.fiercebiotech.com/biotech/bristol-myers-cutting-15b-costs-less-two-years-2000-plus-employees-impacted-2024) (https://www.fiercebiotech.com/biotech/bristol-myers-cutting-15b-costs-less-two-years-2000-plus-employees-impacted-2024) a restructuring with plans to slash \$1.5 billion in costs by the end of 2025, which was [extended](https://www.fiercepharma.com/pharma/bristol-myers-squibb-unveils-plan-cut-additional-2b-costs) (https://www.fiercepharma.com/pharma/bristol-myers-squibb-unveils-plan-cut-additional-2b-costs) last year to add another \$2 billion in cutbacks to be achieved by the end of 2027. By the end of 2025, BMS had axed roughly 1,600 (4.7%) positions compared with a year ago.

Also in New Jersey, Merck & Co. in July revealed a sweeping cost-cutting effort designed to save \$3 billion annually by the end of 2027, the year before its bread-and-butter asset Keytruda is expected to lose market exclusivity. The plan includes [reducing its staff](https://www.fiercepharma.com/pharma/merck-will-lay-6000-3b-annual-cost-cutting-purge) (https://www.fiercepharma.com/pharma/merck-will-lay-6000-3b-annual-cost-cutting-purge) by about 6,000.

Merck's initiative was seemingly not in full swing yet last year, as its quoted total head count as of the end of 2025 remained the same as its 2024 level at about 75,000 positions. The company had added roughly 3,000 positions each year in 2024 and 2023.

Pfizer is another pharma juggernaut that's undergoing cost savings. In April 2025, the New York pharma [raised](https://www.fiercepharma.com/pharma/pfizer-sweeping-cost-cutting-push-lifts-savings-target-77b) (https://www.fiercepharma.com/pharma/pfizer-sweeping-cost-cutting-push-lifts-savings-target-77b) its cost-savings target to \$7.7 billion through 2027 in a reorganization first unveiled in 2023.

While the \$43 billion acquisition of Seagen gave Pfizer a 6% head count boost to about 88,000 in 2023, the company trimmed its workforce by 7,000 (8%) in 2024 and then by 6,000 (7.4%) in 2025, bringing the count down to 75,000, a record low within at least a decade.

Divestments contributed to head count reductions

Pfizer's head count nosedived in 2020, the year it spun off its Upjohn established medicines business and combined it with Mylan to form Viatris. The move shrank Pfizer's employee base by 9,800 to the then-total head count of 78,500.

During the 2021-25 time frame, similar divestitures were made by Novartis, GSK, Johnson & Johnson and Sanofi, all of which caused significant declines in head count at the pharma companies.

GSK's [Haleon](https://www.fiercepharma.com/pharma/gsk-offloads-more-stake-consumer-health-spin-haleon-12b-stock-sale) (https://www.fiercepharma.com/pharma/gsk-offloads-more-stake-consumer-health-spin-haleon-12b-stock-sale) de-merger in 2022 led to nearly 20,700 (23%) job cuts. Following an 11,000 (7.8%) augmentation in 2022, J&J saw its number of employees decrease by 20,800 (13.6%) after the Kenvue consumer health spinoff. In 2023, after spinning off generics unit Sandoz, Novartis' head count dropped by about 25,600 (25.2%).

For Sanofi, shedding a controlling stake in its over-the-counter medicines business [Opella](https://www.fiercepharma.com/pharma/sanofi-gaining-eu10b-sale-opella-expect-more-bolt-deals) (<https://www.fiercepharma.com/pharma/sanofi-gaining-eu10b-sale-opella-expect-more-bolt-deals>) contributed to the largest head count pruning—of more than 8,000 (9.7%)—within our 17-company cohort last year. The divestment immediately improved the French pharma’s per-employee revenue performance by 21.8% in 2025, making it the third-largest increase for the year, trailing Lilly’s 36.2% and Novo’s 24.7%.

Novartis and Sanofi represent the only two companies that have slimmed down every year between 2021 and 2025. Before the big Opella-related slim-down last year, Sanofi had been trimming its workforce in the 3,000-to-4,000 range each year during the period.

At Novartis, the Sandoz separation in 2022 [overlapped](https://www.fiercepharma.com/pharma/major-shakeup-novartis-combines-pharma-oncology-units-leaving-cancer-commercial-head-rd) (<https://www.fiercepharma.com/pharma/major-shakeup-novartis-combines-pharma-oncology-units-leaving-cancer-commercial-head-rd>) with a huge organizational makeover. Removing the Sandoz effect, Novartis’ continuous business still lost 3,620 (4.5%) positions 2023 versus 2022, followed by further depletions of 0.2% in 2024 and 0.8% in 2025. Thanks to rising product sales and the cost cuts, Novartis [achieved](https://www.fiercepharma.com/pharma/novartis-ceo-projects-2026-growth-despite-largest-patent-expiry-company-history) (<https://www.fiercepharma.com/pharma/novartis-ceo-projects-2026-growth-despite-largest-patent-expiry-company-history>) its 40% core operating income margin target in 2025, two years ahead of schedule.

Despite the sales growths and job cuts, non-U.S. pharmas in general generated fewer revenues per employee than their U.S. peers did.

Among ex-U.S. firms, Novartis led the pack with about \$753,000 in revenue per employee, followed by Swiss compatriot Roche’s \$717,000. Novo’s \$679,000 ranked fourth, behind Sanofi’s \$704,000.

With \$1.73 million in 2025 revenue per employee, Gilead Sciences [remained](https://www.fiercepharma.com/special-reports/top-10-most-productive-biopharma-companies) (<https://www.fiercepharma.com/special-reports/top-10-most-productive-biopharma-companies>) the most productive large biopharma company in the period we tracked. The rate was lower than the \$1.95 million the California company booked for 2021, when it enjoyed a COVID-19 tailwind.

Altogether, five companies, all U.S.-based, crossed the \$1 million revenue-per-employee mark last year. BMS ranked second place with \$1.48 million, followed by Lilly, which chalked up \$1.30 million, and Amgen at \$1.17 million, as AbbVie rounded things out with \$1.07 million.

Editor’s note: *Our analysis uses employee numbers reported in each company’s annual reports. When both total head count and full-time equivalents (FTEs) were reported, FTE is used. Roche changed its reporting method from FTE to head counts in 2025, but we adopt the same 2024 number as the company states that “the underlying workforce remained broadly unchanged.” Takeda’s numbers are delayed by one fiscal year; e.g., its 2025 employee number is from fiscal 2024, which ended in March 2025.

The story was updated at 11 a.m. ET, March 25, with revised graphics that include information from Boehringer Ingelheim’s full-year report.

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