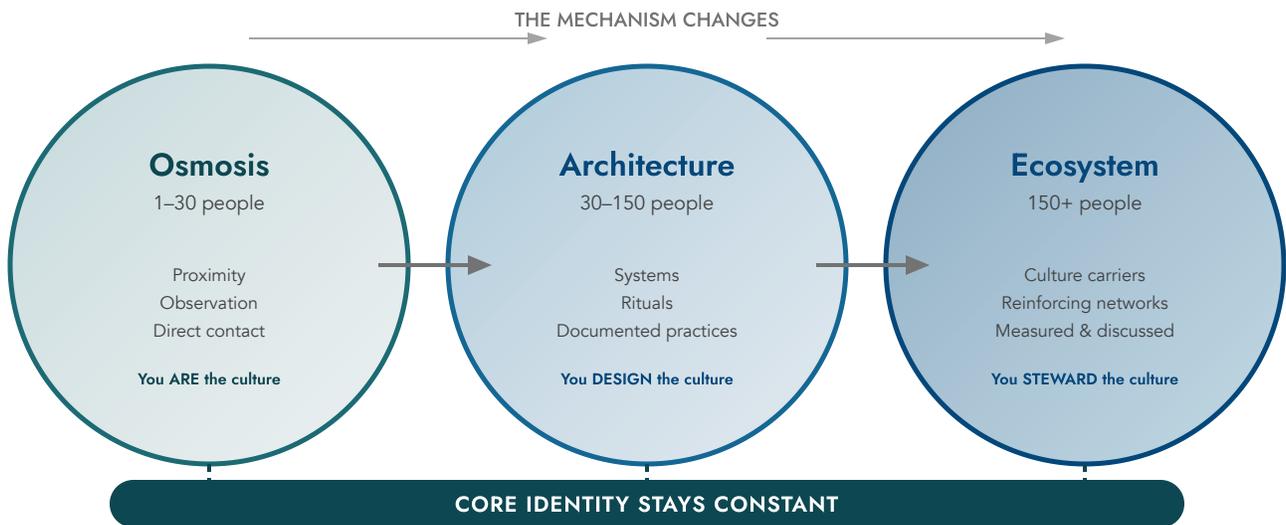


Scaling Culture

What Changes and What Doesn't: A guide to preserving organizational identity while building the structure needed to grow



"Culture isn't destroyed by growth—it's destroyed by failing to evolve how culture gets transmitted. At 15 people, culture spreads through daily proximity. At 150 people, it can't. The mechanism must change, or the signal degrades."

TABLE OF CONTENTS

Why Culture Transmission Matters	2
The Three Transmission Mechanisms	3-4
What Stays Constant (Preserve)	5
What Must Evolve (Transform)	6
What to Let Go (Release)	7
Leader Roles at Each Stage	8
Worksheet: Culture Transmission Diagnostic	9
Worksheet: Planning Guide	10-11
References & Further Reading	12

Who This Is For

HR/People leaders, COOs, CEOs, and senior executives responsible for maintaining organizational culture through periods of growth.

What Culture Actually Is

Culture isn't your values poster or your mission statement. It's not the ping-pong table or the free snacks. **Culture is what happens when no one's looking**—the sum of thousands of micro-behaviors, especially those modeled by leadership.

"Culture is a set of living relationships oriented toward a common goal. It's not something you are—it's something you do."

— Daniel Coyle, *The Culture Code*

📖 THE RESEARCH: BELONGING CUES

Daniel Coyle's research in *The Culture Code* shows that culture is transmitted through "belonging cues"—small signals that answer three primal questions every person unconsciously asks:

Are we safe here?

Can I take risks without being punished?

Do we share a future?

Am I part of something that will last?

Are we connected?

Do the people here care about me?

📌 WHAT CULTURE LOOKS LIKE IN PRACTICE

The behavior you might not notice	What it signals
CEO checks phone when someone presents	"Your ideas aren't that important"
Leader says "I don't know, what do you think?"	"It's safe to not have all the answers"
First response to a mistake is "What happened?" vs. "Who did this?"	Learning culture vs. blame culture
Who speaks first in meetings—and who never speaks at all	Hierarchy and whose voice matters
The stories people tell about company history	What we actually value
How the last person who left was talked about	How safe it is to be human here

⚠️ The Key Insight

Culture isn't destroyed by growth—it's destroyed by failing to evolve how culture gets transmitted. At 15 people, culture spreads through daily proximity. At 150 people, it can't. The mechanism must change, or the signal degrades.

The rest of this guide focuses on understanding and evolving your transmission mechanism—so your culture can scale without losing what makes you who you are.

The Three Transmission Mechanisms

As organizations grow, the *mechanism* for transmitting culture must evolve. Each mechanism works at certain scales—and breaks at others.



Osmosis

Roughly 1-30 people

Culture travels through proximity, observation, and direct leader contact. Everyone sees how the founder handles a crisis firsthand. New hires learn "how we do things" by sitting next to people who've been there. Stories spread naturally because most people were there when they happened.

CONCRETE EXAMPLE

A new engineer at a 20-person startup watches the CTO respond to a production outage at 11pm. She observes: He stays calm. He asks "what happened?" not "who did this?" He thanks the person who found the bug. He orders pizza and says "We'll fix it, then we'll learn from it."

No one wrote this down. There's no "Incident Response Values Document." She simply absorbed: Here, mistakes are learning opportunities, not career-ending events. That's osmosis working.

Why it breaks: Osmosis requires proximity. When the founder can't be in every room, new hires start learning culture from other new hires—who learned it from other new hires. Like a game of telephone, the signal degrades with each transmission.

Warning sign: New hires who are competent at their job but somehow "don't get" how things work here.



Architecture

Roughly 30-150 people

Culture travels through intentionally designed systems, rituals, and documented practices. Onboarding explicitly teaches "how we work," not just "what we do." Decision-making principles are documented and actually used. Rituals reinforce culture (and aren't just "mandatory fun").

CONCRETE EXAMPLE

Netflix's culture memo doesn't just list "candor" as a value. It specifies: *"We don't say anything about a colleague that we wouldn't say to their face."*

That's architectural: explicit, teachable, and evaluable. A new hire at Netflix doesn't have to guess what "candor" means by watching people for six months. The behavior is defined. When someone violates it, there's a clear standard to point to.

Why it breaks: Architecture becomes bureaucracy when it's disconnected from meaning. Rituals become empty. Documents become shelfware. The Monday all-hands becomes something people endure rather than something that reinforces identity.

Warning sign: You have the artifacts of culture (values docs, rituals, onboarding) but people describe them as "just HR stuff" rather than "how we actually work."

The Three Transmission Mechanisms (continued)



Ecosystem

Roughly 150+ people

Culture travels through interconnected systems, empowered culture carriers, and self-reinforcing networks. Managers are explicitly developed as culture carriers—it's part of their job. Healthy subcultures exist within a shared organizational identity. Culture is measured and discussed like any other strategic priority.

CONCRETE EXAMPLE

Patagonia embeds its environmental values into every system: supplier selection criteria, employee benefits (including bail for employees arrested at environmental protests), store design, executive compensation tied to environmental metrics, and a policy of repairing rather than replacing products.

A new employee in any location, any function, experiences the culture through multiple reinforcing touchpoints—not through proximity to the founder. The ecosystem transmits the signal even when the founder is absent.

Why it's hard: Ecosystem requires serious investment in leader development and systems integration. Leaders must be genuinely aligned (not just compliant), and the organization needs feedback loops to detect drift before it becomes decay.

Warning sign: Different parts of the organization describe the culture in fundamentally different—or contradictory—ways.



The mechanism changes.

The identity stays constant.

⚠ THE TRANSMISSION GAP: WHERE CULTURE BREAKS DOWN

Most organizations use a transmission mechanism that's mismatched to their size. The most common failure: still relying on osmosis after outgrowing it.

The Danger Zone

Your organization has outgrown osmosis but hasn't yet built architecture. Signs include:

- Long-tenured employees say "we've lost something" but can't name what
- New hires are competent but "don't get it"
- Founder feels like they're constantly "fighting" culture issues
- Different teams developing different (sometimes conflicting) norms

Organization Size	Primary Mechanism	Begin Building
Under 30	Osmosis can work	Architecture foundations
30-150	Architecture is essential	Ecosystem foundations
150+	Ecosystem is required	Architecture should be mature

What Stays Constant (Preserve)

Some culture elements must remain constant regardless of size. These are your *identity*—the non-negotiables that define who you are. **The principle stays; only the transmission mechanism changes.**



Core Beliefs About People and Work

Your fundamental assumptions about human nature and what enables great work.

Example: "We believe people do their best work when trusted, not monitored."

AT 20 PEOPLE

Trust is assumed. You don't need policies because you know everyone.

AT 200 PEOPLE

Trust must be *designed into systems*—decision rights, information access.



Your Origin Story and Founding Mythology

The stories about where you came from, what you overcame, and what you refused to become.

Example: The story of how the company nearly died in 2019—and what saved it.

AT 20 PEOPLE

Everyone knows the story because they lived it (or heard it directly).

AT 200 PEOPLE

The story must be deliberately told—in onboarding, all-hands, framing challenges.



What You Stand Against (Your "Villain")

Every strong culture defines itself partly in opposition to something. What are you *not*?

Example: "We refuse to treat people as interchangeable resources."

AT 20 PEOPLE

The villain is implicit—everyone knows "we're not like Big Corp."

AT 200 PEOPLE

The villain must be named and used as a decision-making filter.



Your Core Tension—and How You Hold It

Every organization has inherent tensions (speed vs. quality, autonomy vs. alignment). Strong cultures name these.

Example: "We value both speed and excellence—and don't pretend there's no tension."

AT 20 PEOPLE

The founder navigates this tension daily, and people learn by watching.

AT 200 PEOPLE

The tension must be named explicitly, and principles for navigating it taught.

✓ The "Preserve" Test

Would changing this make us a fundamentally different company? If yes, preserve it—and invest in transmitting it through whatever mechanism your size requires.

What Must Evolve (Transform)

Some culture elements must evolve—not because they were wrong, but because they were designed for a different context. **The principle stays; the mechanism changes.**

How Decisions Get Made

EARLY

Founder decides, or quick consensus in the room



SCALED

Clear decision rights, documented principles, empowered leaders

"Run it by Sarah" works at 25. At 100, it's a bottleneck that kills speed and burns out Sarah.

How Information Flows

EARLY

Overhear conversations, everyone in Slack, weekly all-hands



SCALED

Intentional communication architecture, layered messaging

At 150 people, "everyone in the room" means a video call where no real dialogue happens.

How Conflict Gets Resolved

EARLY

Founders mediate, conflicts resolve through direct relationships



SCALED

Managers equipped to handle conflict, shared norms for disagreement

At 150, the CEO doesn't know these people exist. If resolution depends on her, conflicts fester.

How Success Gets Recognized

EARLY

Founder knows everyone, recognition is personal and spontaneous



SCALED

Recognition systems, peer mechanisms, manager-enabled celebration

At 200, the founder can't send personal notes for every win—but people still need to feel seen.

The "Evolve" Test

Is this still working the way it used to? If you're seeing symptoms (bottlenecks, inconsistency, frustration), the mechanism may need to change—even if the principle is right. **The principle stays constant. The mechanism must scale.**

What to Let Go (Release)

Some things that defined early culture need to be released entirely. Holding onto them becomes a liability—even if they once were strengths. **This is often the hardest part of scaling.**

1. "Founder as the Answer"

Release: The expectation that the founder should weigh in on everything significant.

Replace with: Leaders trusted to decide within clear principles. Founder shifts from decider to context-setter.

The grief: Founders mourn this. It feels like losing control. Name the loss. Honor it. Let it go.

2. "Everyone Knows Everyone"

Release: Cohesion from personal relationships across the entire company.

Replace with: Strong team cultures within shared identity. Trusting people you haven't personally met.

The grief: "Becoming corporate." It's not—it's math. Too large for everyone to know everyone.

3. Unwritten Rules

Release: The assumption that "people just know" how things work here.

Replace with: Explicit documentation of principles, norms, and expectations.

The grief: Fear of "bureaucracy." Actually, unwritten rules disadvantage newcomers. Writing it down is inclusion.

4. Heroic Individual Effort

Release: Celebrating individuals who save the day through extraordinary sacrifice.

Replace with: Sustainable systems, sufficient staffing, celebrating teams who prevent crises.

The grief: "We used to be scrappy" = "we burned people out." Letting go of hero culture is healthy.

5. Homogeneity as Shorthand for Culture

Release: "Culture fit" meaning "people like us"—similar backgrounds, communication styles, references.

Replace with: Culture contribution—people who share core values but bring different perspectives and approaches.

The grief: Early employees may feel culture is "diluted" when new people don't look or think like them. That's not culture loss—that's growth. The test is whether people share your beliefs about work, not your taste in music.

The "Release" Test

Is holding onto this limiting our ability to grow, include, or sustain? If yes, grieve it and let it go.

The Leader's Role at Each Stage

How you lead culture must evolve as your organization grows. The focus shifts from modeling to designing to stewarding.



At the Osmosis Stage: You ARE the Culture

Your behavior is watched and replicated constantly. Every reaction teaches people what's acceptable here.

If you do this...	People learn...
Respond to bad news with curiosity	<i>It's safe to bring problems</i>
Check email during 1:1s	<i>People aren't that important</i>
Admit when you don't know something	<i>Vulnerability is acceptable</i>

Key question: "What am I modeling?"



At the Architecture Stage: You DESIGN the Culture

Your job shifts from modeling to codifying and teaching. You make implicit norms explicit.

Your architecture work: Design onboarding that teaches "how we work here" · Document decision-making principles · Build manager development that includes culture transmission · Create reinforcing rituals · Establish feedback mechanisms to catch drift early

Key question: "What systems are we building?"



At the Ecosystem Stage: You STEWARD the Culture

Your job is ensuring culture is self-reinforcing across an organization too large for you to personally influence.

Your stewardship work: Evaluate leaders on culture, not just performance · Create feedback loops to detect drift · Make culture a strategic conversation · Protect culture from external pressure · Tell stories that connect the present to founding identity

Key question: "Who are our culture carriers, and how are we developing them?"

A Note on Transitions

Most leaders find the shift from modeling to designing hardest. It requires letting go of the belief that your personal presence can sustain culture. It can't—and trying will burn you out while starving the organization of the architecture it needs.

Worksheet: Culture Transmission Audit

Use this diagnostic to assess your current culture transmission and identify gaps. Be honest—this is for your strategic planning, not for show.

Section 1: Current State Assessment

For each culture element, circle where your current mechanism primarily sits:

Culture Element	Osmosis	Architecture	Ecosystem
How new hires learn "how we work"	Absorb by watching	Formal culture onboarding	Managers + systems reinforce
How decisions get made	Ask the founder	Documented principles	Distributed using shared frameworks
How conflict gets resolved	Founder mediates	Clear norms exist	Managers handle using shared norms
How information flows	Everyone in the room	Designed channels	Layered cascade + contextualization
How success is recognized	Founder recognizes personally	Formal programs	Multiple reinforcing mechanisms
How leaders are developed	Learning by watching	Formal development	Culture carrier development explicit

Section 2: Gap Analysis

Our current size:

people. Primary mechanism needed:

Where is the mismatch most acute?

Gap 1:

Gap 2:

Section 3: Warning Signs Check

Check any that apply to your organization right now:

- Long-tenured employees say "we've lost something"
- Founder constantly "firefighting" culture issues
- Values docs feel like "just HR stuff"
- New hires are competent but "don't get it"
- Different teams have conflicting norms
- Parts of the org describe culture contradictorily

TOTAL CHECKED:

0-1 = healthy | 2-3 = emerging gaps | 4+ = urgent attention needed

Worksheet: Preserve / Evolve / Release Planning

Based on your audit, use this worksheet to plan your culture scaling strategy. For each category, identify the specific elements and how you'll address them.

Section 1: What We're Preserving

These are our identity—they stay constant. Only the transmission mechanism changes.

Element	How it shows up now	How we'll transmit at scale
Core belief about people/work:		
Our origin story:		
What we stand against:		
Our core tension:		

Section 2: What We're Evolving

The principle stays. The mechanism must change.

What's breaking	Principle we're keeping	New mechanism we need

Section 3: What We're Releasing

Grieve it, honor what it meant, let it go.

What to let go	Why it served us early on	What replaces it

Worksheet: 90-Day Commitments

Based on your Preserve / Evolve / Release analysis, what specific actions are you committing to in the next 90 days? Be concrete—name owners, deadlines, and success criteria.

1

Commitment:

Owner

Deadline

Success looks like

2

Commitment:

Owner

Deadline

Success looks like

3

Commitment:

Owner

Deadline

Success looks like

A Final Note

Culture work is never finished. Schedule a quarterly review of this document to assess progress, revisit your Preserve / Evolve / Release analysis, and ensure your culture transmission mechanisms continue to mature as your organization grows.

References & Further Reading

The frameworks and concepts in this guide draw from research in organizational behavior, leadership development, and culture studies. For deeper exploration, we recommend the following resources.

Primary Sources

The Culture Code: The Secrets of Highly Successful Groups

Daniel Coyle (2018)

Foundation for understanding how culture is built and transmitted through belonging cues, vulnerability, and shared purpose. The research on high-performing teams (Navy SEALs, Pixar, San Antonio Spurs) informs much of our thinking on culture mechanisms.

Dunbar's Number and Organizational Scale

Robin Dunbar, various publications

The cognitive limits on group size (~150 people for meaningful relationships) underpin the transition points between osmosis, architecture, and ecosystem stages.

Psychological Safety Research

Amy Edmondson, Harvard Business School

Research on psychological safety as a foundation for team learning and performance. Key to understanding why belonging cues matter and how culture enables (or inhibits) candor.

Further Reading

An Everyone Culture

Kegan & Lahey — Developmental culture at scale

The Hard Thing About Hard Things

Ben Horowitz — Culture in scaling startups

Reinventing Organizations

Frederic Laloux — Self-management at scale

Powerful

Patty McCord — Netflix culture practices

Work Rules!

Laszlo Bock — Google's people practices

Leaders Eat Last

Simon Sinek — Trust and belonging in orgs

About Bevel Talent

Bevel Talent partners with growing organizations to develop the leaders and systems needed to scale culture intentionally. Our work includes manager development programs, leadership coaching, and culture architecture consulting.

Learn more: beveltalent.com | **Contact:** hello@beveltalent.com