Abstract

Organizational (or most often firm) age is vastly applied variable in empirical research models aiming to explain some performance outcomes of organizations. Yet, the contradictory findings of empirical studies and the inability of the applied theoretical approaches to fully explain these contradictions has left our understanding on age effects incomplete. Following the recent efforts (Bakker & Josefy, 2018; Coad, 2018; Coad, Holm, Krafft, & Quatraro, 2018) to clarify the relationship of age and performance, this study takes the next step in increasing this understanding by building a framework on the mechanisms leading to the observed effects of aging. The method applied is a systematic review, the final set of studies included covering 83 research articles providing results on the performance effects of organizational level aging. While it seems that empirical research including the age variable rarely tests the mechanisms suggested to underly the age effects, the major contribution of the study is not only to draw a comprehensive picture on where the current understanding on the topic lies, but also to expose these suggested mechanism for further testing and evaluation. Additional suggestions for further studies are also made for advancing the understanding on organizational aging and its effects.