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**“The Work Preferences of Portuguese Millennials
- a Survey of University Students”**

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Title: The Work Preferences of Portuguese Millennials - a Survey of University Students

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Abstract

In order to attract the best talent, it is vital for employers to understand the characteristics and preferences of their applicant pool. Very little is known to date about the Portuguese millennial generation, despite knowledge about young graduates entering the job market is of particular interest to employers. Previous studies have found that work preferences vary across generations and national cultures, justifying regular and localized examination. We therefore surveyed over 2,500 Portuguese millennials attending undergraduate and postgraduate university degrees and present a portrait of their work preferences. We find that career development opportunities are the prime concern of Portuguese millennials, who also value a workplace that provides both positive social relations and interesting and exciting work. Some intra-generational differences are noted, namely in terms preferences for employer size and work location. Gender differences mark our results, with women expressing lower entry salary expectations. Implications for recruiting organizations are drawn.

Keywords: millennials, work preferences, recruitment, university students, Portugal.

Introduction

The ability of organizations to align their human capital with organizational culture and strategy is recognized as pivotal in attaining improved organizational performance (Huselid & Becker, 2011; Lepak & Snell, 2002). One of the key elements in achieving such alignment is attracting (and subsequently hiring and managing) the “right people” (McCracken, Currie, & Harrison, 2016). Understanding the candidate population can help organizations develop more efficient communication and recruiting strategies, attracting fewer but better suited applicants (Dineen & Noe, 2009). Our main objective is, therefore, to characterize the work preferences of Portuguese millennials prior to their entrance in the job market, helping prospective employers to better target their recruitment efforts (Casper, Wayne, & Manegold, 2013). Work preferences seem to vary across generations (Twenge & Donnelly, 2016) and national cultures (Gahan & Abeysekera, 2009). It is therefore important to regularly map the prevalent work preferences of job candidates within different national cultures.

Portugal generally clusters with Latin Europe in culture studies (Chhokar, Brodbeck, & House, 2007). We review some of the main characteristics identified. However, the available studies are by now somewhat dated. Although national culture is fairly stable, Jesuíno (2007, p. 818) states that “Portugal is no longer the same” noting the “huge transformations that took place in this country in the last decades”. Our current study, where we survey over 2,500 Portuguese university-attending job candidates to assess their preferences regarding job characteristics and organizational traits, could reflect more recent societal change. In that respect, this paper contributes also with a more updated depiction of the Portuguese younger generation.

Attracting the “Right People”

Challenges in attracting the best employees are often associated with periods of economic growth and labor shortage, triggering a so-called “war for talent” (Cable & Turban, 2001; Ployhart, 2006; Trank, Rynes, & Bretz Jr., 2002). But even in conditions of recession and high unemployment, the “right people” may be hard to find (Beenen & Pichler, 2014).

Traditionally, the best candidates have been equated with those with high qualifications (e.g., Cable & Turban, 2001; Williamson, Lepak, & King, 2003). But it is also important that new recruits are the right match for the organization’s culture and objectives. The fit between candidates’ characteristics (e.g. personality, interests, needs, beliefs and values) and their perceptions of prospective jobs and employers has, in fact, become “the central construct in recruitment” (Ployhart, 2006, p. 871), and is a major predictor of job pursuit activities and organizational attraction (Kristof-Brown, Zimmerman, & Johnson, 2005; Uggerslev, Fassina, & Kraichy, 2012). It is essential, therefore, that organizations stay attuned to the evolution of their candidate pool, particularly as there is evidence of generational differences in terms of work values and attitudes (Cogin, 2012; Twenge & Donnelly, 2016).

Specific knowledge about the candidate pool allows employers to design jobs that appeal to potential candidates by meeting their psychological contract and expectations (Hurst & Good, 2009; McCracken et al., 2016), implement (and publicize) human resource policies (e. g., pay, training, diversity) that are valued by the targeted candidates (Dineen & Noe, 2009; Judge & Bretz, 1992), and generally manage the organization’s image within an employer branding strategy (Lievens, 2007; Ployhart, 2006). This will not only improve attraction (Cable & Turban, 2001; Casper et al., 2013), but also retention (Kristof-Brown et al., 2005), and overall talent management (McCracken et al., 2016). In particular, because information about the organization will only affect candidates’ behavior if it is known to them (Judge & Bretz, 1992), it is important that communication strategies be based on sound understanding of “the beliefs of their targeted applicants” (Cable & Turban, 2001, p. 118). There are several

accounts of the difficulty in filling graduate-level positions, particularly in IT (e.g., McCracken et al., 2016). This seems particularly acute in Portugal (CPED, 2015), making the study especially relevant.

The Millennials Generation

Although job preferences have been extensively studied (e.g., Judge & Cable, 1997; Lievens & Highhouse, 2003), there seems to be a generational effect that justifies regular revision (Twenge & Donnelly, 2016). The latest generation of people entering the job market has been labelled generation Y or the “millennials”, comprising people born from around the 1980’s until the turn of the 21st century (Howe & Strauss, 2009). Thought to exhibiting attitudes and behaviors that contrast with the previous generation X (Becton, Walker, & Jones-Farmer, 2014; Howe & Strauss, 2009; Twenge & Donnelly, 2016), they are portrayed as smart, well-educated, technologically savvy, optimistic, independent, self-reliant, and (over) confident (Broadbridge, Maxwell, & Ogden, 2007; Howe & Strauss, 2009). Having grown up in a mostly affluent, sheltered existence, they accept authority and follow rules (Howe & Strauss, 2009; Myers & Sadaghiani, 2010) within open and transparent (Cogin, 2012) and participatory settings (Hurst & Good, 2009). They are depicted as self-centered and self-absorbed, lacking in loyalty, work ethic (Myers & Sadaghiani, 2010), exhibiting higher job mobility than previous generations (Becton et al., 2014). But they are also portrayed as cooperative team players, sociable, and displaying loyalty based on honesty and respect (Broadbridge et al., 2007; Howe & Strauss, 2009). They value a nurturing environment and challenging and meaningful work (Hurst & Good, 2009; Ng, Schweitzer, & Lyons, 2010), that will enhance their career prospects, rather than job security (Broadbridge et al., 2007; Cogin, 2012). They contemplate working hard - being more willing than generation X to work overtime (Becton et al., 2014) - as an early investment in a future challenging, lucrative

career, while expecting work-life balance in the long-term (Broadbridge et al., 2007; Ng et al., 2010; Winter & Jackson, 2016). They value meritocracy, personal achievement, success and speedy career advancement (De Hauw & De Vos, 2010; Ng et al., 2010; Winter & Jackson, 2016), preferring empowering managers who provide swift feedback (Ng et al., 2010), allow participation and stimulate development (Broadbridge et al., 2007), favor direct communication and efficiency, and downplay micro-management, procedure and hierarchy (Broadbridge et al., 2007; Winter & Jackson, 2016). Although empirical data is still scarce in this regard, it is implied that millennials have a strong sense of morality and integrity, are socially conscious and globally aware (Broadbridge et al., 2007; Hurst & Good, 2009; Myers & Sadaghiani, 2010). They favor social and environmental causes and will be more attracted to companies with a good corporate social responsibility (CSR) reputation (Backhaus, Stone, & Heiner, 2002; Ng et al., 2010; PwC, 2008). They also expect international assignments and working abroad along their careers (PwC, 2008).

Individuals' work preferences are influenced by a number of factors, including gender (Johnson, Mortimer, Lee, & Stern, 2007), education, career choices, personality (Judge & Cable, 1997), socio-economic context (De Hauw & De Vos, 2010; Twenge & Donnelly, 2016) and national culture (Gahan & Abeysekera, 2009). It is therefore not surprising that, despite a seemingly invariant portrayal of millennials in the literature, empirical studies have found discrepancies attributable to different national contexts. Guillot-Soulez and Soulez (2014) reveal French millennials to prioritize job security, and Papavasileiou and Lyons (2015) report Greek millennials have a unique profile of work values and priorities. In fact, these authors find grounds to reject the idea of a global Y generation in terms of work preferences, justifying the study of the specific cultural contexts of different countries.

Portuguese Millennials

Very little has been published about Portuguese millennials, and nothing regarding their work preferences. Studies from marketing have found generational differences (Duarte, Madeira, & Barreira, 2010) and differences relative to American consumers (Tavares & Azevedo, 2012), supporting the relevance of examining Portuguese millennials' work preferences specifically. De Hauw and De Vos (2010) highlight the importance of context and national culture in shaping values and expectations. Studies on Portuguese culture are few but converge on some main points. The Globe project assessed several dimensions of culture measuring what people think of society "as is" and as how it "should be", reflecting not only Portuguese people's perception of their culture but also of their value aspirations and expectations (Jesuino, 2007). Overall, Portuguese culture is high on in-group collectivist orientation with a strong appreciation of social loyalty and group ties, but less so regarding collective action; high on gender egalitarianism, reflecting recent changes in women's participation in society and predominance in higher education; low in assertiveness, eschewing a dominant or aggressive stance and consistent with a high need for affiliation; low in future orientation, denoting a mainly short-term focus; and low in uncertainty avoidance, resonant of a penchant for improvisation and acceptance of ambiguity. Regarding certain dimensions, there is a clear difference between people's perceptions of "what is" (practices) and "what should be" (values), denoting dissatisfaction with the current attitudes and aspirations for improvement. Such is the case with power distance, considered high but with a marked preference for a more egalitarian distribution of power; with the low performance orientation, reflecting an expectation that people should be encouraged to perform and be rewarded for excellence; and humane orientation, indicating a desire for a more caring society (Jesuino, 2007). Social and political events contribute to reshape culture over time. In terms of context, Portuguese millennials share much the same overall experience as other western millennials, who grew up in relative prosperity but have more recently been faced with economic

uncertainty and social unrest (Hurst & Good, 2009). They were raised in the fast-growing economy of the 1990's that followed Portugal joining the then European Economic Community (Pereira & Lains, 2011). Their parents were more affluent than any previous generation (Alexandre, Aguiar-Conraria, & Bação, 2016). Public investment in education led to increased qualification levels (Pereira & Lains, 2011), with the number of university students more than doubling in the 20 years between 1991 and 2011 (Pordata, 2016). Internet access by families rose from 15% in 2002 to 70% in 2015 (INE, 2016). But this prosperity was drastically reversed in the last decade in Portugal, with an economic crisis brought about by high public and external deficits, culminating in the need for an international bailout in 2011 (Alexandre, Aguiar-Conraria, & Bação, 2016). Rising unemployment (particularly youth unemployment), generalized wage cuts and a return to (now also highly-skilled) emigration (Cruces, Álvarez, Trillo, & Leonardi, 2015; Observatório da Emigração, 2015; Pereira & Lains, 2011) produced a "brain drain" and general disenchantment among young people (Cerqueira et al., 2016), aggravated by the repercussions of an ageing population (INE, 2016). Working abroad has become an expected prospect for those entering the job market. Jesuíno (2007) reports "Portuguese society has become more open, more sophisticated, and more differentiated, but also more skeptical, more demanding, more aloof, and more individualist" (p. 590), expecting people to be more realistic and less demanding when it comes to the workplace compared to society in general. In terms of leadership, Jesuíno (2007) depicts a profile that "aspires for more collective efficiency and effectiveness but within the traditional framework of informality, leniency, and protectionism" (p. 600) denoting an inclination for tolerating paternalistic-style leaders. This reflects perhaps an acceptance, but not preference, for powerful leaders in as much as they promote social protection and cohesion.

We next draw some implications from the literature on millennials and on the specificities of Portuguese millennials for their work preferences and values.

Research questions

Our main research question is “What are the work preferences of Portuguese millennials prior to entering the job market?”. We further intend to explore determinants of these preferences, considering students’ personal and academic profile, as well as other professional preferences, thereby also identifying and explaining intra-generational variation among Portuguese millennials. From the literature on (Portuguese) millennials reviewed above, we expect to encounter:

- an appreciation of positive social relations above all (Jesuino, 2007), based on transparency and respect (Hurst & Good, 2009; Ng et al., 2010);
- an appreciation of learning opportunities, development and career advancement (De Hauw & De Vos, 2010; Ng et al., 2010; Winter & Jackson, 2016);
- a willingness to sacrifice salary when social interaction and learning opportunities are prioritized (Ng et al., 2010; Winter & Jackson, 2016);
- an appreciation of challenging and meaningful work (Hurst & Good, 2009; Ng et al., 2010; Twenge & Donnelly, 2016) above job security (Broadbridge et al., 2007; Cugin, 2012; Jesuino, 2007);
- an appreciation of employers’ initiatives in corporate social responsibility (Backhaus et al., 2002; Ng et al., 2010; PwC, 2008), especially towards employees (Jesuino, 2007);
- a global mindset and appreciation of international positions (Myers & Sadaghiani, 2010; PwC, 2008).

The literature points to a number of variables that influence work preferences, so we intend to assess whether work preferences are affected by gender, academic profile, expected entry salary level, preference for employer size and preference for job location.

The literature asserts that men and women develop different career priorities which affect, among others, their expectations towards salary (Schweitzer, Lyons, Kuron, & Ng, 2014) and work preferences regarding work climate, career advancement, job security and pay level (e.g., Ng et al., 2010; Schweitzer et al., 2014; Terjesen, Vinnicombe, & Freeman, 2007).

Drescher and Schultheiss (2016) find a higher need for affiliation in women to be persistent, although not for power or achievement. On the other hand, Jesuíno (2007) reports a growing egalitarian stance in the Portuguese society. The pay level in Portugal is generally low, aggravated by the prevalence of small firms and the economic crisis (Cruces, Álvarez, Trillo, & Leonardi, 2015). So, we expect:

- similar work preferences between men and women, except concerning social relations, which women should value more;
- similar expectations between men and women towards (low) pay.

Barber, Wesson, Robertson, and Taylor (1999) reveal that job seekers have distinct preferences regarding the size of organization they apply to. Firm size is positively correlated with wages (Idson & Oi, 1999). Larger firms provide higher earnings, more fringe benefits and better promotion opportunities (Kalleberg & Van Buren, 1996). On the other hand, employees have less autonomy in large organizations (Kalleberg & Van Buren, 1996), where climate is expected to be less sociable (Payne & Mansfield, 1973) and perceived by employees as offering lower organizational support and less flexibility in dealing with individual needs (Rhoades & Eisenberger, 2002). We therefore predict:

- a preference for smaller-sized companies and for jobs that are closer to home when social concerns are higher;

- a preference for larger companies when career advancement and salary are more valued.

Methods

Sample

The survey of Portuguese millennials' work preferences was constructed as part of a larger market research project in partnership with a consulting company (Spark Agency, 2015). The questionnaire was mounted on a web-based survey tool and was administered online to undergraduate and postgraduate students from the top universities in Portugal (Minho, Porto, Aveiro, Coimbra, Lisbon, Nova Lisbon, Catholic Lisbon, ISCTE) between February and April, 2014. We used students' email databases, digital communication platforms and involved student leaders to mobilize participation. During this period, three follow-ups were made, using email and student leaders' action. We received 2,595 responses, from which 2,554 were considered valid.

Variables and Measures

A list of 51 work preferences was conceived based on Berthon, Ewing & Hah (2005)'s components of employer attractiveness, Universum student survey (Universum, 2012) of employer attributes and Turker (2009)'s scale of CSR. The list was reduced to 31 items (Table 2), after face-to-face interviews to assess phrasing and understandability, together with initial statistical pre-test with 60 students. The final items were integrated under the question "When choosing an employer, how important are the following aspects?". A seven-point rating scale anchored in the extremes 1 (not at all) and 7 (absolutely important) was used for the answers.

Other variables in the survey included the respondents' age and gender, the academic degree level (undergraduate and postgraduate), the expected final grade, the monthly salary in euros they expect to earn on entering the job market and the size of company they prefer as an employer (micro, small, medium and big, along the specifications of the European Commission (2003). We further inquired millennials about their preferred location for a first job (only Portugal, only Abroad, or both Portugal and Abroad).

Results

The respondents' profile (Table 1) reveals a balanced gender distribution with 53.8% male and 46.2% female, with ages ranging from 17 to 34 ($M=22.2$, $SD=2.97$). Most attended an undergraduate degree (62.9%) and expected a final grade ranging from 11 to 20 in a scale up to 20 ($M=14.7$, $SD=1.40$). The majority (61.3%) is available to accept a first job both in Portugal and abroad, but about a third (34.6%) insists on a first job in Portugal. A minority (4.1%) will only consider a job abroad. Their preference in terms of employer size tends towards the big (40.3%), followed by medium-sized (38.4%) and small companies (18.4%). A minority (2.9%) actually target micro-companies. The table 1 also shows students' prospective salary level, which ranges from 496 (in 2014, the Portuguese monthly minimum wage was 485 euros) to 3,500 euros ($M=1,016.4$; $SD=347.36$; $Mdn=1,000.00$).

[Table 1 here]

Table 2 shows the work preferences of respondents ordered by mean value. The first thing to note is the bias towards the positive end of the scale, with the lowest mean equaling 5 in a scale of 1 to 7. This may be influenced by the desirable representation of the items, but the fact that Portuguese millennials value all of these attributes highly cannot be ruled out. We therefore give particular importance to the relative position of each item. The top-ten preferences depict career development concerns (e.g. items 5, 3, 13) as well as an exciting

workplace (e.g. 9, 10). Specific values, such as honesty, transparency, respect (29) and meritocracy (31, 1) are ranked second, third and fifth respectively. These top-rated items also present low standard deviations, denoting little dispersion among respondents. A preference for positive relationships at work (18, 19, 6) follows, just above job security (21). Items relating to compensation (26, 8) come further down the list (21st and 22nd place, respectively). Concern for the environment and social responsibility come at the bottom. Although these are still valued, they are less of a priority to Portuguese millennials in terms of work preferences.

[Table 2 here]

We also performed a Principal Components Analysis (PCA) to uncover the underlying structure of the 31 work preference items. Free extraction (eigenvalue > 1) delivered six factors, but the internal consistency of the sixth factor was below 0.6. Additionally, three items did not load in any factor. We therefore forced an extraction with five factors, with varimax rotation, which we retained (see Table 3). Two items (1 and 14) showed cross-factor loading and were excluded. Both the KMO (.932) and Bartlett's Test of Sphericity ($\chi^2(406)=31965.51$, $p=.000$) indicate the adequacy of the data for factor analysis. The resulting five factors, aggregately explaining 55.0% of the variance, have good ($\alpha>.8$) or acceptable ($\alpha>.7$) internal consistency, one being questionable ($\alpha=.609$) (Gliem & Gliem, 2003). We decided to retain it as it is theoretically congruent, with all items pertaining to career prospects.

[Table 3 here]

Factor 1 (F1) has the highest internal consistency ($\alpha=.874$), but the lowest mean ($M=5.1$). It includes eight items, related to CSR towards the environment, but also client-orientation and the opportunity to learn, teach and apply previous knowledge. It was labelled 'stakeholder responsiveness' denoting a preference for employers' responsiveness towards different

interested parties, and implies Portuguese millennials see themselves as part of the stakeholders' companies should attend to.

Factor 2 (F2) includes seven items related to 'social aspects', such as the relationship with colleagues and supervisors and a positive work climate. It has good internal consistency ($\alpha=.831$) and a mean of 5.9. Factor 3 (F3) was labelled 'salary and security' and includes work preferences (five items) related to compensation and stability within the job. It has an acceptable consistency ($\alpha=.755$) and a mean of 5.6. Factor 4 (F4) includes five items depicting an exciting work environment, where creativity, innovation and quality are valued. The 'exciting workplace' factor has a mean of 5.8 and a Cronbach's alpha of .800. Finally, the fifth factor (F5) relates to preferences regarding 'career prospects', including four items pertaining to career advancement, inspiring managers and meritocracy. Its internal consistency is on the threshold of acceptability ($\alpha=.609$), and the mean is the highest, at 6.2. We used ordinary least squares multiple regression analyses (Hair, Black, Babin, & Anderson, 2014) to explain continuous variables 'work preferences' (the mean score of the items loaded in each factor) and expected monthly entry salary in euros. We used the logarithm of expected salary to overcome its high skewness level and also to bring it to a comparable scale to other variables. All necessary assumptions for multiple regression were thus met. Categorical variables were transformed into dummy variables. The variables used as predictors of work preferences were: gender ('male' as the reference), age, degree level ('postgraduate' as the reference), expected grade, expected salary (log), preferred company size ('large company' as the reference), and preferred location for a first job ('both Portugal and Abroad' as the reference). Considering the exploratory model building nature of this study, we used the recommended stepwise backward method, as it decreases the risk of Type II errors (Field, 2009).

Regression analysis reveals that all models are statistically significant, although work preferences are only partly explained by the variables we surveyed, as the models explain a small proportion of the variance, never exceeding 4.7% ($R^2=.047$). Table 4 presents the models with the best predictive capacity for each dependent variable, all other variables held constant.

[Table 4 here]

Only gender emerges as predicting ‘stakeholder responsiveness’ (F1), with female students valuing it more than their male colleagues ($\beta=.352$, $p=.000$). ‘Social aspects’ (F2) are also more highly valued by women ($\beta=.183$, $p=.000$) and by older students ($\beta=.016$, $p=.000$). ‘Salary and security’ (F3) is, naturally, more important to those expecting higher earnings ($\beta=.987$, $p=.000$). Female students ($\beta=.178$, $p=.000$) and those considering only Portugal as a job location ($\beta=.120$, $p=.000$) also value this more. But those preferring small or micro companies ($\beta_{Micro}=-.367$, $p=.000$; $\beta_{Small}=-.138$, $p=.000$) value it less. An ‘exciting workplace’ (F4) is more valued by female participants ($\beta=.090$, $p=.004$) and older students ($\beta=.019$, $p=.000$), but less important to those who consider only Portugal to work ($\beta=-.114$, $p=.000$). Curiously, students with higher salary expectations also value an exciting place more ($\beta=.352$, $p=.006$). Finally, ‘career prospects’ (F5) is a higher concern for female respondents ($\beta=.192$, $p=.000$) and for those who target larger employers ($\beta_{Micro}=-.274$, $p=.000$; $\beta_{Small}=-.113$, $p=.001$; $\beta_{Medium}=-.099$, $p=.000$).

We also analyzed what influences expectations regarding salary (Table 5). The backward elimination method proposed one significant model ($\chi^2(9)=38.117$, $p=.000$), explaining 11.7% of the variance (Adjusted $R^2=.117$). Female students expect a lower entry salary than their male colleagues ($\beta=-.039$, $p=.000$). Undergraduate students have higher salary expectations than graduate students ($\beta=.031$, $p=.000$), as do those anticipating higher grades ($\beta=.020$, $p=.000$). Students who prefer micro, small and medium-sized companies rather than large

ones envisage lower earnings ($\beta_{Micro}=-.047$, $p=.001$; $\beta_{Small}=-.046$, $p=.000$; $\beta_{Medium}=-.022$, $p=.000$). Those wanting to remain in Portugal have lower expectations regarding salary ($\beta=-.027$, $p=.000$), whereas those who consider working only abroad have higher aspirations ($\beta=0.44$, $p=.000$), relative to those who will take a job anywhere.

[Table 5 here]

For the categorical variables ‘preferred employer dimension’ and ‘preferred work location’, we used multinomial logistic regression ‘main-effects’ model (Field, 2009; Hosmer, Lemeshow, & Sturdivant, 2013), with the last category as the reference (‘large firms’ and ‘both Portugal and Abroad’). Both models are significant ($\chi^2(21)=196.042$, $p=.000$; $\chi^2(18)=132.431$, $p=.000$). The Nagelkerke R^2 value is .083 for ‘preferred employer dimension’ and .064 for ‘preferred work location’. Results are presented in Table 6.

[Table 6 here]

All other variables held constant, students targeting micro (*Odds Ratio*=.025; $\beta=-3.685$), small (*Odds Ratio*=.025; $\beta=-3.672$) and medium-sized firms (*Odds Ratio*=.206; $\beta=-1.580$) have lower expectations regarding entry salary when compared to students preferring large companies. Comparatively to postgraduate students, undergraduates are 82.9% more likely to prefer small firms (*Odds Ratio*=1.829; $\beta=.604$) and 44.5% more likely to prefer medium rather than large firms (*Odds Ratio*=1.445; $\beta=.368$). Women are 42.2% more likely than men to prefer working in medium-size firms (*Odds Ratio*=1.422, $\beta=.352$). Similarly, students targeting only Portugal, compared to those who prefer both Portugal and abroad, are 47.3% more likely (*Odds Ratio*=1.473, $\beta=.388$) to prefer medium-size companies. As for job location, those insisting on a job in Portugal compared to being indifferent are 74,7% more likely (*Odds Ratio*=1.747; $\beta=.558$) to target small companies and 47,0% (*Odds Ratio*=1.470; $\beta=.385$) are more likely to prefer medium-size companies rather than the large ones. They also express considerably lower salary expectations (*Odds Ratio*=.115; $\beta=-2.163$). On the

contrary, students who target foreign companies are more likely to aspire to higher entry salaries (*Odds Ratio*=11.312; β =2.426).

Gender turned out to have a greater influence than we anticipated, emerging as a significant predictor of most of the analyzed outcome variables. Consequently, it deserved greater attention. Using the non-parametric Mann-Whitney test (Table 7), we found significant differences between male and female students both in the expected final grade and in salary expectations. Indeed, despite anticipating higher final grades (female $M=14.81$, $Mdn=15,00$ vs male $M=14.64$, $Mdn=15,00$, $U=74568.000$, $p=.001$), on average, females expect a 9.85% lower entry salary than men (female $M=960.12$ euros, $Mdn=900.00$ euros vs male $M=1,065.04$ euros, $Mdn=1,000.00$ euros, $U=631172.500$, $p = .000$).

[Table 7 here]

Discussion

The research here reported was designed to address the question “What are the work preferences of Portuguese millennials prior to entering the job market?”. Findings reveal that, overall, Portuguese millennials value career prospects above all, followed by social aspects and an exciting workplace. Salary and security come lower in their priorities, but still above stakeholder concerns. These results largely confirm our expectations based on the literature, although career concerns take slight precedence over social aspects. This prominence given to career development may be explained by students’ life-stage rather than generation (Twenge, 2010). Valuing social relationships reflects the affiliative nature of the Portuguese culture (Jesuino, 2007). A preference for an exciting workplace seems to be a hallmark of the millennial generation (Ng et al., 2010). The results are similar to findings from Canada (Ng et al., 2010), Australia (Wong, Gardiner, Lang, & Coulon, 2008), the UK (Terjesen et al., 2007) and Greece (Papavasileiou & Lyons, 2015) but contrast somewhat with results from other

European samples, such as France (Guillot-Soulez & Soulez, 2014) and Belgium (De Vos et al., in De Cooman & Dries, 2012), where job security takes precedence. In an adverse and uncertain context, Portuguese millennials may have accepted that good salaries and job security as less likely, reflecting the more realistic and disenchanting youth (Cerqueira et al., 2016) who focus instead on improving their employability by prioritizing development opportunities. They may also find alternative (and more immediate) rewards in positive social relationships and interesting work.

As in other countries (e.g., Ng et al., 2010), the employer's responsiveness towards stakeholders, including environmental issues, were rated lower. One interesting feature is that Portuguese millennials seem to see CSR as connected to the company's efforts towards their own development. We interpret this as students seeing themselves at the receiving end of the company's CSR, much in line with the affiliative orientation and paternalistic leadership of Portuguese people (Jesuino, 2007). It also reflects millennials' prime concern for career advancement at this stage.

Mirroring other western studies (e.g., De Cooman & Dries, 2012; Ng et al., 2010; Watts, Frame, Moffett, Van Hein, & Hein, 2015), but contrary to our expectations based on cultural traits, gender differences mark our own results. Portuguese female millennials value all work preference dimensions more highly than males, especially stakeholder responsiveness, social aspects and career prospects. But, even though they anticipate higher grades and express a higher appreciation than men for career advancement and salary and security, female students still expect to earn 10% less than men. This confirms previous findings that women have lower expectations in terms of pay (Ng et al., 2010; Schweitzer et al., 2014), despite their career ambition. It is also in line with the results of Watts et al. (2015), who find female college students to express higher career aspirations but perceive greater career barriers.

Our expectation that Portuguese millennials who prioritize social interaction and learning opportunities may be willing to sacrifice salary is not confirmed. Singling out this relationship as particular may lose meaning due to the high prevalence of both those work preferences and low salary expectations, making this association the norm rather than the exception. Instead, and apart from gender, it is a preference for smaller employers and for staying in the country that is particularly associated with lower salary expectations.

The preference for employer size appears connected to work preferences for salary and security and career prospects. As expected, millennials who value salary and security and career prospects favor larger employers, consistent with these firms' greater capacity to provide higher earnings and career development (Kalleberg & Van Buren, 1996). Contrary to our expectations, however, employer size is unrelated to social aspects. Rather, a preference for larger companies appear to be determined by higher salary expectations. This reflects perhaps the success large companies have at promoting themselves among university students (Lievens & Highhouse, 2003), in addition to their minimal workplace experience.

The literature portrays millennials as having a global mindset, so we expected a significant preference for international job positions. The recent crisis and resurgence of emigration (Observatório da Emigração, 2015) may explain why more than half of Portuguese millennials (65.4%) would consider a job abroad. This is nevertheless lower than what PwC (2008) reports for most countries, surpassing only the Netherlands. This apparent lower willingness to work abroad may be a specific characteristic of Portuguese millennials, despite (or perhaps because of) the country's tradition of emigration, negatively associated with economic strife and family hardship. The noted higher need for affiliation (Jesuino, 2007) may explain a reluctance to break social and family ties by working abroad. However, our expectations in this respect were not confirmed by our results. The preference for staying in the country does not appear connected to prioritizing social aspects but is rather associated

with attaching higher importance to salary and security and less to an exciting workplace. Paradoxically, students who insist on working in Portugal have a preference for smaller companies and lower expectations in terms of salary, whereas those specifically targeting a job abroad expect higher earnings. We surmise the security side of 'salary and security' may be the driving force behind the preference for a job at home.

Conclusions and future research

Based on a survey of over 2,500 Portuguese millennials, we portray their work preferences and draw implications for the recruitment practice of prospective employers.

Portuguese millennials value above all the development opportunities of a first job, that will provide relevant experience and reward their merit and performance. They favor positive social relations with their colleagues and superiors, and prize honesty, fairness and respect. They are also looking for interesting work in an exciting workplace, where innovation thrives and their creativity can be exercised. Salary and security are only slightly less prominent. Finally, employers' responsiveness to the various stakeholders, including employees, customers and the environment, are still appreciated, but not prioritized.

Organizations seeking to recruit Portuguese millennials should endeavor to design jobs, HR policies and communication strategies that maximize the match with these preferences.

Employers should highlight above all ample and diverse training, mentoring and development opportunities to meet millennials' principal concern with development. In parallel, they should strive to provide a favorable working environment. This includes not only the opportunity to belong to a friendly team led by inspiring managers, but also an innovative, creative and exciting atmosphere, that promotes merit, transparency and fairness. Corporate social responsibility initiatives connected to employee development should be underscored. Competitive pay should not be neglected. Even if salary and security are less prominent in

millennials' preferences and can perhaps be compensated for by the concerns above, they are still highly regarded. These efforts should be accompanied by purposeful communication that reinforces a reputation for a friendly, stimulating workplace where learning opportunities are afforded and good performance rewarded.

Preferences for employer size occasion some nuances of which companies may take advantage. For example, smaller employers should highlight the appeal of a sociable, dynamic and innovative atmosphere to compensate for shortcomings in salary and career opportunities. Large companies, on the other hand, may get away with a less congenial environment provided they deliver on material benefits and development potential.

Female millennials seem particularly inclined towards stakeholder responsiveness, career development and social aspects. So, the possibility of establishing gratifying relationships with colleagues and superiors in a fun and welcoming workplace where good performance leads to growth opportunities, should be emphasized when recruiting women. Social and environmental responsibility initiatives should also resonate more with them.

Finally, if the gender gap in salaries is to be overcome, employers should be aware that millennial men and women value salary and security equally, although women have lower initial expectations, curtailing their negotiation ambitions. This may determine differences in salaries both at the beginning of their careers and in the future (Schweitzer et al., 2014).

Adopting a more egalitarian approach to setting initial salaries, relying less on individual negotiations and more on overall market references, may provide a fairer starting point to young people's careers. Salary variations that arise over time will then be more likely the result of differentials in ability and performance, which seems a fairer basis of discrimination. Our study provides an unprecedented portrayal of Portuguese millennials and their work preferences, but some limitations must be noted. Firstly, our sample is restricted to millennials studying at the top universities in Portugal and may not represent all millennials in the

country. Concentrating on university students may result in an over-estimation of the importance of career development and challenging work, for example, relative to the entire millennial population (Trank et al., 2002). In addition, our analyses explain only small proportions of the variance. Other variables, such as field of study, type of job targeted, as well as psychological (De Hauw & De Vos, 2010; Schweitzer et al., 2014) and cultural variables (Cogin, 2012; Gahan & Abeysekera, 2009), may be stronger influences on Portuguese millennials' work preferences.

For future studies, it is important to focus on working millennials, and examine how their attitudes and preferences are influenced by actual experience in the workplace. The work preferences of younger generations should continue to be monitored so that employers adjust recruitment efforts accordingly. Developments relative to gender differences (namely salary expectations), which are present at this stage, should merit particular attention.

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Table 1. Descriptive statistics for the characteristics of respondents

Variable	N	Perc.	Mean	Stand. Deviation	Median	Min	Max
Gender	2554						
Female	1181	46.2%					
Male	1373	53.8%					
Age	2554		22.2	2.972	22	17	34
Degree level							
Undergraduate	1606	62.9%					
Postgraduate	948	37.1%					
Expected grade (out of 20)	2550		14.72	1.40	15.00	11.00	20.00
Expected salary in 1st job (in Euros)	2537		1,016.39	347.36	1,000	496,00	3,500
Employer size preference: (# employees + sales volume)	2554						
Big (>250 employees; > 50m €)	1033	40.3%					
Medium (50-250 employees; 10-50m €)	984	38.4%					
Small (10-49 employees; 2-10m €)	470	18.4%					
Micro (<10 employees; ≤ 2m €)	74	2.9%					
Locations considered for 1st job:							
Only Portugal	887	34.6%					
Only abroad	104	4.1%					
Both Portugal and abroad	1570	61.3%					

Note: Differences in the N for each variable are due to missing values.

Table 2. Portuguese Millennials' Work Preferences

Rank	'When choosing an employer, how important are the following aspects' (1- not at all; 7 - absolutely important); N=2554	Mean	SD
1	5. Gaining career-enhancing experience.	6.34	.814
2	29. Working in a place characterised by honesty, fairness and respect.	6.33	.869
3	31. Working in a place where employees' merit and performance are recognised.	6.32	.793
4	4. Feeling good about myself as a result of working for a particular organization.	6.23	.902
5	1. Recognition/appreciation from management of my work.	6.14	.918
6	9. Working in an exciting and motivating environment.	6.10	.868
7	3. The organization is a springboard for my future development.	6.03	.970
8	10. Working in an enterprising place, with innovative work practices and a vision for the future.	6.01	.961
9	28. Working in an organization with inspiring top-quality managers.	5.97	.982
10	13. Having good promotion opportunities within the organization.	5.96	.958
	18. Having a good relationship with my colleagues.	5.91	.940
	19. Feeling acceptance and belonging.	5.90	.967
	6. Having a good relationship with my superiors.	5.86	.972
	21. Having job security and stability.	5.80	1.139
	12. The organisation produces high-quality products and services.	5.70	1.053
	7. Having supporting and encouraging colleagues.	5.65	1.071
	11. The organization values creativity and uses my creative abilities.	5.61	1.111
	14. Feeling more self-confident as a result of working for a particular organisation.	5.60	1.100
	22. The organisation produces innovative/attractive/exciting products and services.	5.51	1.116
	23. Working for a profitable, financially robust organization.	5.49	1.055
	26. Having an attractive overall compensation package.	5.37	1.082
	8. Having an above-average basic salary.	5.28	1.110
	27. Opportunity to teach others what I have learned.	5.28	1.215
	25. Having a wide variety of experiences in different departments.	5.27	1.202
	2. Having a fun working environment.	5.26	1.236
	15. Working for an organization that is socially responsible, that gives back to society.	5.22	1.304
	24. The organisation subscribes to environmentally sustainable ideas and considers the sustainable use of natural resources.	5.14	1.260
	16. The organization manages its impacts on the natural environment as part of its regular business processes.	5.07	1.289
	30. The organization actively encourages employees to develop environmental policies.	5.05	1.332
	20. The organization is customer-oriented.	5.04	1.295
	17. Having the opportunity to apply what I have learned in university.	5.00	1.371

Table 3. Principle Component Analysis - rotated component matrix

Items	Factor 1: Stakeholder responsiveness	Factor 2: Social aspects	Factor 3: Salary and security	Factor 4: Exciting workplace	Factor 5: Career prospects
Eigenvalues	9.881	2.144	1.739	1.553	1.221
Variance explained (total: 54.98%)	32.29%	7.19%	5.96%	5.34%	4.20%
Cronbach's Alpha	.874	.831	.755	.800	.609
Mean average	5.13	5.88	5.58	5.78	6.17
Standard Deviation	.939	.702	.761	.765	.607
24. The organisation subscribes to environmentally sustainable ideas and considers the sustainable use of natural resources.	.829				
16. The organization manages its impacts on the natural environment as part of its regular business processes.	.823				
30. The organization actively encourages employees to develop environmental policies.	.815	.208			
15. Working for an organization that is socially responsible, that gives back to society.	.759	.218			
20. The organization is customer-oriented.	.511				.225
27. Opportunity to teach others what I have learned.	.499	.215			.333
25. To have a wide variety of experiences in different departments.	.490			.214	.296
17. Having the opportunity to apply what I have learned in university.	.475				.255
18. Having a good relationship with my colleagues.	.223	.782			
7. Having supporting and encouraging colleagues.	.210	.751			
19. Feeling acceptance and belonging.	.215	.730			
2. Having a fun working environment.		.605		.307	
6. Having a good relationship with my superiors.	.239	.579			.335
29. Working in a place characterised by honesty, fairness and respect.	.376	.443			.344
4. Feeling good about myself as a result of working for a particular organization.		.417			.363
8. Having an above-average basic salary.			.788		
26. Having an attractive overall compensation package.			.745		
23. Working for a profitable, financially robust organization.	.262		.671		
13. Having good promotion opportunities within the organization.			.580		.411
21. Having job security and stability.	.276	.335	.469		
10. Working in an enterprising place, with innovative work practices and a vision for the future.	.202			.753	
11. The organization values creativity and uses my creative abilities.	.239			.736	
9. Working in an exciting and motivating environment.		.389		.613	
22. The organisation produces innovative/ attractive/exciting products and services.	.349		.211	.596	
12. The organisation produces high-quality products and services.	.282		.239	.488	.221
5. Gaining career-enhancing experience.					.683
3. The organization is a springboard for my future development.				.219	.588
28. Working in an organization with inspiring top-quality managers.	.314				.521
31. Working in a place where employees' merit and performance are recognised.	.234	.360			.430

Notes: KMO = .932; Bartlett's Test of Sphericity = $\chi^2(406) = 31965.51$, $p = .000$; Rotation Method: Varimax with Kaiser Normalization; Factor loadings < .2 are suppressed.

Table 4. Regression analyses for Work Preference factors

Variables	Unstandardized coefficients β	Coefficients Std Error	Standardized coefficients β	p value
F1- stakeholder responsiveness (Model 10 –Adjusted R ² = .035)				
(Constant)	4.976	.025		.000
Gender - female	.352	.036	.189	.000
F2 - social aspects (Model 6 - Adjusted R ² = .023)				
(Constant)	5.379	.108		.000
Gender - female	.183	.028	.130	.000
Age	.016	.005	.069	.001
F3 - salary and security (Model 5 - Adjusted R ² = .047)				
(Constant)	2.837	.384		.000
Gender - female	.178	.030	.117	.000
Micro companies	-.367	.089	-.081	.000
Small companies	-.138	.039	-.070	.000
Salary (log)	.987	.126	.160	.000
Portugal only	.120	.031	.075	.000
F4 - exciting workplace (Model 5 - Adjusted R ² = .014)				
(Constant)	4.293	.402		.000
Gender - female	.090	.031	.059	.004
Age	.019	.005	.073	.000
Salary (log)	.352	.127	.057	.006
Portugal only	-.114	0.32	-.071	.000
F5 - career prospects (Model 5 - Adjusted R ² = .038)				
(Constant)	5.586	.155		.000
Gender - female	.192	.024	.158	.000
Micro companies	-.274	.072	-.076	.000
Small companies	-.113	.033	-.072	.001
Medium companies	-.099	.027	-.079	.000

Note: Reference categories – ‘male’, ‘postgraduate’, ‘large company’, ‘both Portugal and Abroad’.

Table 5. Regression analysis for Expected salary (log)

Variables	Unstandardized coefficients <i>B</i>	Std. Error	p value
(Constant)	2.684	.038	.000
Gender – female	-.039	.005	.000
Degree – undergraduate	.031	.006	.000
Expected grade	.020	.002	.000
Micro firms	-.047	.014	.001
Small firms	-.046	.007	.000
Medium firms	-.022	.005	.000
Only Portugal	-.027	.005	.000
Only Abroad	.043	.012	.000

Notes: Reference categories – ‘male’, ‘large company’, ‘both Portugal and Abroad’.
Adjusted R² = .117.

Table 6. Multinomial logistic regression analyses for preferred company size and work location

			Unstandardized coefficients	Std Error	Wald	p value	Odds ratio
			β				
Company Size	Micro	Intercept	8.301	3.599	5.321	.021	
		Salary (Log)	-3.685	1.155	10.177	.001	.025
	Small	Intercept	9.072	1.712	28.078	.000	
		Degree – undergrad.	.604	.146	17.173	.000	1.829
		Salary (Log)	-3.672	.579	46.448	.000	.025
		Intercept	4.790	1.296	13.667	.000	
	Medium	Gender – female	.352	.095	13.737	.000	1.422
		Degree – undergrad.	.368	.115	10.278	.001	1.445
		Only Portugal	.388	.099	15.205	.000	1.473
		Salary (Log)	-1.580	.393	16.182	.000	.206
Work location	Portugal	Intercept	5.060	1.274	15.782	.000	
		Small firms	.558	.121	21.204	.000	1.747
		Medium firms	.385	.099	15.029	.000	1.470
		Salary (Log)	-2.163	.397	29.667	.000	.115
	Abroad	Intercept	-8.655	2.687	10.376	.001	
		Salary (Log)	2.426	.751	10.439	.001	11.312

Note: Reference categories – ‘male’, ‘large company’, ‘both Portugal and Abroad’; $p \leq .01$.

Table 7 - Significant differences between males and females students

	Gender	N	Mean	Stand. Deviation	Median	Mean Rank	Sum of Ranks
Expected salary (in Euros)			1065.0		1000.0		1881991.5
	Males	1357	4	370.97	0	1386.88	0
	Females	1173	960.12	308.62	900.00	1125.08	1319723.5
							1688446.0
Expected grade (out of 20)	Males	1372	14.64	1.42	15.00	1230.65	0
	Females	1178	14.81	1.36	15.00	1327.74	1564079.0
							0
Mann-Whitney U	Expected Salary		Expected Grade				
			631172.500	74568.000			
			-9.111	-3.391			
			.000	.001			

Note: Mann-Whitney test; Grouping Variable: Gender.

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