

The Just Word Podcast

Transcript of Episode 42: McGill Offers Personal Finance Course

Guest: Benjamin Croitoru

Pat Bolland 00:00

Benjamin a real pleasure to meet you.

Benjamin Croitoru 00:05

It's wonderful to be with you.

Pat Bolland 00:07

Benjamin explain to me exactly what McGill is offering.

Benjamin Croitoru 00:13

We're very excited to be offering McGill Personal Finance Essentials Course which is an online course that's absolutely free and available to everyone. So everyone can join. It's not just students. And the way it works is that the course consists of pre-recorded modules that cover the various stages of one's financial life. So for example, you have a module on the basic principles of compound interest, you have a module on borrowing, a module and budgeting, a module on investing, module on real estate. And so the total, the total amount of time that the video modules last is about three, three to four hours. But because the modules are pre-recorded our learners can watch them on their own schedule.

Pat Bolland 01:12

So it's three to four hours total, it's not each one of the segments is three to four hours.

Benjamin Croitoru 01:17

Absolutely.

Pat Bolland 01:19

So ostensibly, you're looking at maybe 30 minutes for each segment.

Benjamin Croitoru 01:23

Perfect. Roughly, probably the most important, most important thing I want to stress is that we've designed your course, to be accessible to everyone that has a little bit of motivation. So the course does not assume any pre-existing knowledge. Well, because we felt that that's really what we needed... something that's open to everyone, because we feel that everyone can benefit greatly from leveling up center finance.

Pat Bolland 01:55

Why are you offering it at this time? I mean, personal finance has been around for a long time. I mean, wouldn't it have been natural to do it years ago,

Benjamin Croitoru 02:09

Properly, it's something that should have been done even sooner. But one thing I want to say is that, in the current environment, people have to take control on their personal finances, it's more important than before. And the reason is, is that because of the economic changes that are taking place, because of the demography, people cannot rely on public systems, especially pension systems, for their financial security, the way previous generations, probably. So I think it's become more important than it used to be to take control of the costs of their finances. And of course, I don't think I have to tell our listeners this, but the current economic environment is particularly uncertain, really, we don't know where the markets are going, we don't know where the economy is going. And that means that the value of being in control, of understanding a little more is, is even even greater.

Pat Bolland 03:17

Okay, so given that online course, how many students are you expecting? Or how many are already enrolled?

Benjamin Croitoru 03:25

Well, we've been very pleased with the success of the course. Because in three years, we found that 200,000 were signed up for the course

Pat Bolland 03:36

200,000.

Benjamin Croitoru 03:37

Yeah,

Pat Bolland 03:37

so this, this, there was a real need in the community for personal finance.

Benjamin Croitoru 03:42

Absolutely. So I'm very pleased, of course, this is higher than the house of personal finance is something that should be of concern to everybody. So that means there are still millions of people. We're not, cannot we don't know that much. Because unfortunately, the educational system is failing them. Why? Because I really feel that consumer finance is something that should be told, I'd say at high school level. Everybody should be exposed to it. But it's not really happening.

Pat Bolland 04:21

But if you're doing say 30 minute segments on all these areas isn't enough time, or is this just an introductory course, and you anticipate there will be more courses? So a complete suite of courses on real estate, for instance, in the future?

Benjamin Croitoru 04:38

I actually feel that yes, of course, if you want to become the best investor possible. Or if you want to work in finance, there's a lot that you need to know that I also feel that you know what makes the most difference is the basic principles that don't take a lot of time to teach. So I really, for example, I teach

the module investing And I really believe that in less than 30 minutes, it's possible to teach what in your opinion makes 80% of the difference. So I really believe that it looks complicated. Of course, you have literally 1000s of choices to invest your money. key principles that make most of the difference, in my opinion, are quite simple. And they don't take a lot of time to teach a set of people are really curious, really motivated to learn about finance. There are a lot of resources that exist already downloads of Greg books. But we feel that where there's the most potential value added is, you know, teaching the very basics of finance to the greatest, the greatest number of people possible.

Pat Bolland 05:57

Are most of you. Are most of your registrants, Canadians, for instance, or will you get international students?

Benjamin Croitoru 06:06

The majority actually don't have a good question. I'm sorry, I don't have the latest number. We do, I believe we do have a majority of Canadians, but we actually have people from from all around the world. We have taken the course. And probably this has to do with the international reputation of McGill, we have a very global university with a lot of a lot of international students.

Pat Bolland 06:30

But you're focusing on international concepts. So that would fit the profile.

Benjamin Croitoru 06:35

Absolutely. I mean, the course of course, is targeted to the throughout Canadians, especially as far as institution and details. But the basic principles of personal finance are the same, the same all over the world, really, the differences across countries really have to do with vocabulary. For example, for example, a TFSA, a Tax Free Savings Account. That's specifically a Canadian measure.

Pat Bolland 07:07

But but on the other token, compounding of interest is a universal concept.

Benjamin Croitoru 07:12

Absolutely. diversification, the importance of minimizing the fees that you pay on your investments, things like that, that really make a big difference. Of course, we have the same these concepts are the same all over the world.

Pat Bolland 07:29

In your experience, and you must have taught students in the past, have students come in with any knowledge of personal finance, or or is it just personal experience that they figured it out?

Benjamin Croitoru 07:44

I think you have ... kind of it's all over the spectrum. I think you have people already had a keen interest in finance that took the course and people were absolute, absolute beginners, and probably some people will learn some lessons the hard way. Well, if you don't know the basics, it's easy to make to make customer and costly mistakes.

Pat Bolland 08:12

I hate to be a cynic, Benjamin, but when I think of this, and McGill offering this and 200,000 people signing up for this ... is it kind of a marketing pitch for McGill. Because if so many people are registered with McGill, then they'll come to McGill, won't they?

Benjamin Croitoru 08:34

Very happy that this course is, is hopefully going to raise the profile of McGill, the profile of the Desautels Faculty of Management where I teach. And then that means more students want to study with us. That's great. But I still think we you know, we're hopefully we're also helping a lot of people. And we're happy to help people who will not come come study with us.

Pat Bolland 08:58

You know, it's interesting, Google was the first internet company that was very successful by offering free products, if you will. And here's McGill offering a free online course. And Google, of course, has expanded that to other offerings, the original product lines, and I think we're probably Gmail or something like that is McGill planning more free offerings.

Benjamin Croitoru 09:26

So what we're doing is that the course was originally launched almost three years ago. And we've been updating it so we agreed on some modules. And now we're actually in the process of shooting some new modules that are going to be added to the course in the coming months and retail this year and also next year. So we are about to add a new module on retirement planning, and then next year, and it takes a little bit of time because we're trying to do the best job possible next year. We will add modules and some issues, some topics that have become more new relevance sustainable investing, and cryptocurrencies. So the plan is to improve the cost by improving the existing modules, adding some additional modules on a new on YouTube access priority at this point.

Pat Bolland 10:22

Professor, it sounds fascinating, I wish you tons of luck. Well, thank you. Thank you so much.