

S1E2 Distribution At The Crossroads with Michael Knight: Be the Mind and the Muscle



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As part of the Distribution at the Crossroads research project, and in partnership with the **NAW Institute for Distribution Excellence**, we are making these transcripts available to the distribution community.

Our purpose is simple: to capture and share conversations that help elevate the industry. These discussions are not just recordings - they are building blocks for leaders, emerging professionals, newcomers, technology providers, and every partner in the distribution ecosystem.

You can use these transcripts in different ways:

- **Leaders** can revisit insights to sharpen strategies and shape organizational direction.
- **Emerging leaders** can treat them as case studies in real-world decision-making.
- **Newcomers** can use them as an on-ramp into the culture, language, and priorities of distribution.
- **Technology providers and partners** can draw lessons to align their solutions with what matters most to distributors.

In addition, these transcripts can be leveraged with large language models to accelerate learning and application. You can analyze recurring principles, highlight actionable playbooks, and adapt the insights directly into your organization's workflows. The goal is not only to document, but to equip. Every conversation is an opportunity to improve decision-making, spark innovation, and move distribution forward.

Podcast Open [00:00]

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Introduction [00:14]

Nick Pericle: Welcome to episode two of Distribution at the Crossroads. I'm your host, Nick Pericle. Today I'm joined by Michael Knight, a veteran operator across electronic components and industrial distribution. He's led P&Ls. He sat in the CEO seat in industrial distribution. And throughout all of this, what's impressed me is he has stayed hands-on with the customers, with the economics of the organization, and the technology. He thinks like a strategist, he executes like a builder, and he's honest about where the industry is headed.

[01:00] **Nick Pericle:** Here's why this episode matters. Today, Michael and I got very practical about how distributors can regain leverage in the supply chain. We talk about proving value at both edges of the supply chain — from the supplier side and the customer side — and we got into both parts of that. We also dug into the architecture that actually ships work within an organization. What I also enjoyed about this conversation is we talked about data lakes and APIs in an overall data strategy that can really supercharge how distributors think about analytics. And of course we talked about AI — where AI is going, where it's making an impact today, and what we think the future might look like.

Nick Pericle: We both have a passion for mentoring, and we talked about the idea of two-way mentoring across generations. One aspect that was also interesting is we got into P&L fluency, financial fluency — that's important for those who are now coming into the organization. We recognize that when culture clicks, everything gets simpler and the results compound. The talk that Michael and I had before we hit record and after was energizing, and we're both still thinking about some of those ideas. I think you'll feel that same clarity in this episode.

[01:53] **Nick Pericle:** If I had to distill what we talked about into one line, I'd leave you with this: Be the mind and the muscle. Think sharper, but move faster. Prove value with data and build systems that let your team execute cleanly. Again, I'm your host, Nick Pericle. This is episode two of Distribution at the Crossroads with Michael Knight.

Welcome to the Crossroads [02:19]

Nick Pericle: Michael Knight, welcome to Distribution at the Crossroads.

[02:21] **Michael Knight:** Thanks, Nick. Happy to be here.

[02:23] **Nick Pericle:** Yeah, it's really good having you on. I know we've interacted a number of times at different industry events, and I've certainly heard you share much of your experience, your affinity for technology, and your understanding of the industry. So I'm really looking forward to the conversation today.

[02:38] **Nick Pericle:** So let's jump into it. Many of our listeners will know you from what you've shared publicly, but we'd love to have you give a little bit of background of how you got into the industry, what you have done, and maybe what you're up to now.

Michael's Backstory [02:52]

Michael Knight: I've got to be careful that we don't soak the entire podcast up with my backstory, which would definitely turn everybody off. The short version is I came here by way of IT initially, and went to work in — God, this was middle '80s — for a pioneer electronic component distributor that was specializing in semiconductors, that had been started actually by a couple of guys who had come out of Fairchild, with Gordon Moore, that crew. And from there, just serendipity took me down a path that since then I've worked for component manufacturers, component distributors, basically the entire path to market, and about half of that time in general management roles.

[03:41] **Michael Knight:** And then took a brief hiatus to get involved in industrial distribution as CEO of a really cool company by the name of Endries, which is industrial hardware — primarily fasteners, nuts, bolts, screws, things like that — which on the surface sound maybe a little pedestrian, but actually are way cool. And more recently returned back to electronic components, where I've spent most of my career. So I've been on the forefront of technology for, God, longer than I want to think about.

Seeing Distribution Everywhere [04:15]

Nick Pericle: Yeah, quite some time. Your experience in electronic components and with fasteners — I'm sure you find yourself everywhere you go, looking at places where the materials that your organizations have sold into the industry, you see them in use, you see them in different applications. Is that true?

[04:34] **Michael Knight:** You become hypersensitized to it. The analogy I would use is — I don't know if you know what a Volvo is?

[04:41] **Nick Pericle:** Who doesn't at this point?

[04:42] **Michael Knight:** Once upon a time, I owned Volvos, and I had never — I wasn't aware of a Volvo. And then I buy my first Volvo, which is an S60 — I call it the poor man's BMW. And then the next thing I know, it feels like every other car on the road's a Volvo. So that's just how it works. You become sensitized to it. And certainly with even fasteners, I would frustrate the heck out of my teammates because every place I turned, I saw a fastener application. I'd snap pictures and send texts off, and people were getting a little tired of me doing that. But it's everywhere. Technology, of course — it's ridiculous.

The Devaluation of Distribution [05:19]

Nick Pericle: So your roles, Michael, in distribution on the operation and strategic side help you see patterns. What patterns do you see emerging that help us see the chapters we're heading into for the industry?

[05:32] **Michael Knight:** That's a big question. And unfortunately for you, I have a big answer.

[05:36] **Nick Pericle:** We like big answers.

[05:37] **Michael Knight:** First of all, to qualify my answer, I think there isn't a universal — it depends on the nature of the product that's being distributed. Underneath all of that, I think there are some universal trends. And depending on the type of distribution, you're somewhere on the continuum for experiencing those trends. I'll also say that they're a lot less obvious at the moment because they've been masked by some other bigger trends in our world. First, COVID. Supply chain disruptions that followed COVID. More recently, the global supply chain disruptions that we're triggering with our trade policy that I think we're all struggling to get our heads around.

[06:31] **Michael Knight:** Nonetheless, these are persistent themes that may have been slowed by those things, but aren't going to be stopped by those things. So first and foremost, I think the number one thing I've seen — and this is especially true in electronic component distribution — is the devaluation of distribution. That manifests itself in obvious ways. Gross margins are smaller, then obviously net margins are smaller. This is happening at a time where we see a lot of inflation and cost inputs. It's a squeeze for distributors, it's a squeeze for the component manufacturers. But distribution has been around forever. And the reason for that is because it's a very efficient way to get product to an end user or to a consumer or somebody that's making something in my world.

The Margin Squeeze [07:33]

Michael Knight: But over time, the benefits of that have been devalued to a point where the economics of it aren't so great. So when you find yourself — you wake up in an industry where a better use of capital is to buy T-bills than buy inventory and invest in customer relationships — there's a problem.

[07:57] **Nick Pericle:** It makes you question your whole business model.

[07:59] **Michael Knight:** What it does is it forces you to rethink your business model. Exactly. Which we should, by the way, all be doing. Regularly.

Digitization: From Contact Sport to Algorithm [08:07]

Michael Knight: So I think that's a big challenge. And then there are some other things that I think are very important trends. One is the digitization of the supply chain. More digital it gets, obviously it means the faster it gets, but the less personal it gets. And up until this point, selling has really been a contact sport. So the trend is it's becoming less contact. I don't know that any of us really understand how that's going to work. How does your computer influence my computer? The decision making goes through an algorithm. So you have to anticipate what's important to the algorithm that you're interfacing with and then try and influence that.

[09:04] **Michael Knight:** This is kind of new and weird stuff, and that's got ramifications for workforce and all the rest of it. That's a persistent trend. Been around for a while. Though I think it's also worth pointing out that the reason that hasn't already just taken off like wildfire is — I don't know if there's a realization or a fear of talking about it — but supply chains are proprietary. If you are my customer, I don't necessarily want you to fully understand where all my sources are for everything.

[09:46] **Nick Pericle:** That is intellectual property to you and what you've built.

[09:48] **Michael Knight:** As a distributor, it's the only IP I have. And the manufacturers that I buy from, they don't want me to know where they get their raw materials and their equipment. So ultimately, I think that is a gating item on this march towards digitization. But it's ultimately going to happen because that's the only way we can actually deal successfully with all of the persistent disruption that we have in the supply chain.

Origin Stories and Belly-to-Belly Relationships [10:17]

Nick Pericle: Really, the complexity that we've stacked onto the industry since the beginning. I find a helpful exercise when I meet a new organization is I like to ask about origin stories. And it's actually not hard — at many distributors when you go in, they'll actually have the origin story printed on the wall. You'll see 1947, 1950s, 1960s. So-and-so who was maybe great-grandpa or grandpa at the time, he identified a need within the market, built relationships with both suppliers and the end customers, and then built the supply chain and the relationships that ultimately allow those items to get to those customers on time. I've also heard — and I'd be interested in your reaction — when we talk about B2B distribution, a long time it's been belly-to-belly, these relationships.

[11:04] **Michael Knight:** I haven't heard that one.

[11:06] **Nick Pericle:** I've heard that. Now I can't unhear it. But there's so much that is relationship-dependent. That's not going to come as a surprise to you, nor to anyone who's listening — that this is and has been and appears to continue to be a highly relationship-driven industry, although digitization and removing that relationship component in some ways is still something that many of us are grappling with.

Supplier-Side vs. Customer-Side Relationships [11:31]

Michael Knight: So first, when you visit TTI, I'll take you to History Hall and you can see our origin story on the wall. So yeah, we're another data point for you. Relationships are important, but I'll tell you what has been true for a long time: there's different types of relationships with different stakeholders. And where I think relationships still have the largest bearing is on the supplier side of things, because those are business relationships that are a lot less fungible. And if you do a good job for your supplier, especially if it's a franchise agreement, you bring a lot of value to them. I don't see that changing very quickly.

[12:14] **Michael Knight:** The customer side of things is a bit different, where that is more fungible and technology has allowed the customer to treat even non-commodity stuff as a commodity — reverse auctions, et cetera. That isn't to say that relationships aren't important, but at the very tactical level, there's a lot of churn in the people involved, both at the distributor and the customer. So it gets harder and harder to differentiate yourself through relationship. And that's ultimately what any business needs to figure out — how to differentiate itself in a way that's defensible and meaningful to all its stakeholders.

[13:13] **Michael Knight:** Plus, I don't know if you notice this — especially younger people coming into the workforce — they're more non-contact, less relationship-oriented. I don't mean to stereotype, certainly, but they're more comfortable with a more impersonal interaction, especially if there's technology between the two people. That's another trend we're going to have to deal with. Distribution is less and less a contact sport.

Five Generations and the Culture Challenge [13:47]

Nick Pericle: It's more about going back to core roots of identifying needs within the market, finding the sources to fulfill those needs, and then enabling that while lowering cost. I find that most businesses have that transition period where moving beyond relationships — enabling the growth beyond having to shake hands with somebody, having to know them as deep individuals and knowing their birthdays and their kids' birthdays — is something that every organization eventually has to get to. On this topic of workforce, we're seeing new people enter the workforce, whether those are the next generation of workers or people who've taken an interest in distribution.

[14:39] **Nick Pericle:** At the same time, success up to this point in the industry has highly relied on deep domain knowledge and expertise. Much of that has come from spending time

in the industry, knowing the products, knowing the customers. When a customer comes up to the branch and asks questions or calls you on the phone, you can act as a trusted advisor. How do we balance that and enable those who are coming into the industry to be successful while also honoring those who have built a solid foundation of knowing the domain?

[15:10] **Michael Knight:** I wish I knew. It's one of those — that's a kind of a holy grail thing. You've got to constantly be thinking about that. Part of it is, if you want to be successful on this front, you've got to have a really robust culture that connects well with — I think, I don't know what the count is now — there's five generations active in the workforce. And each one has a different growing-up experience, a different origin story. They communicate differently and think differently. And I think it's really important that a company culture be able to interweave that as new people come into the business, so that you can attract them certainly and then keep them.

Two-Way Mentoring: Vintages Old and New [16:01]

Nick Pericle: Michael, I'm curious — in the industry, this idea of those who are maybe in their golden years of their career, getting ready to exit within the next few, taking on a mentoring position within the organization of someone who's new. Or have you seen the opposite, where there's maybe some reverse mentoring — where you have new, energetic people who've come in their mid-to-late twenties, who are technology-first, who you pair up with someone who has deep experience? Have you seen that within the industry?

[16:31] **Michael Knight:** Not the way that I should be seeing it. One of the things I love about mentoring is the mentee mentors the mentor a lot of times without the mentor being aware. The opportunities I've had to mentor somebody, honestly, I probably get more out of it than they get out of me. I think you're onto something. A really good mentorship program works both ways. It'll keep the older vintage fresh and help put some experience and age on faster for the younger vintages.

[17:03] **Nick Pericle:** I've seen this happen one time where an executive brought in the interns and he asked them: What is it that I need to know about how you work, about how you want to be treated, about how you see us being able to improve the business? Now, you might think on the outset, what do a couple of summer interns have to teach someone who's been in the industry for 30 years? There were a couple of ideas that came out of that that at a minimum provided a different perspective, but actually then became part of what they went and implemented as their training program for new hires.

Mind and Muscle: Redefining the Distributor

[17:47]

Nick Pericle: When I asked you about trends that you see within the industry, you said you see the distributor being devalued. Let me pose a question to you. If distributors thought of themselves less as someone who supplies a product in order to meet a customer's need and more as a blank — how would you fill in that blank to maybe combat that devalued aspect?

[18:01] **Michael Knight:** How I would fill in that blank? Mind and muscle.

Michael Knight: Unfortunately, I think the biggest devaluers are the distributors themselves. And I don't think as a group we fully appreciate anymore just how important our function is. Fully appreciate that supply chains don't work without us. And fully appreciate our value proposition. In fact, one challenge I would have with any distributor is to randomly go through the organization and ask people: What is our value proposition?

[18:36] **Nick Pericle:** We're bringing up a good point here that this is an exercise. It isn't done in an afternoon, but it's a continual progression of: How does our business really work? Where does the money come in, where does it go out? I spend a lot of time with technology folks who come into the industry with a really strong understanding of technology, but that aspect is one among many. If you don't take the time to really know the distributor's business model and where working capital gets tied up, then there are other priorities that become the main priority.

Financial Fluency Beyond the P&L

[19:07]

Michael Knight: In terms of financial statement understanding, I think everybody — it doesn't matter your role — should have some basic understanding of the profit and loss statement, the income statement. But it can't stop there, and most times it does, because so much of what we're talking about happens on the balance sheet. I think training people to understand what a balance sheet is, the connections between the balance sheet and the income statement, and then the connections that both have relative to the decision-making process — because ultimately, the person at the top of the org chart, the CEO, one of their main jobs is efficient allocation of capital. It's making decisions about where money gets spent, where it's going to have the greatest return.

[20:01] **Nick Pericle:** How could you tell with executives on your management team — when you say education shouldn't just stop at the P&L level — if you were to go a level or two deeper, how could you know that they had a solid understanding and were helping support you in that mission as chief executive of the allocation of capital? What were some tells on that?

[20:23] **Michael Knight:** I think it starts with putting it in context that we can all understand. Especially when you're working on buying a business from a founder, most of the time they've never sold anything. And so there's this whole concept in acquisitions of cash-free, debt-free, which means that the purchase price is net of cash — except some amount that you have to leave behind to cover typical working capital — and net of debt. That's a hard

thing for people to get their head around. So the analogy I use is: Hey, if you own a house with a mortgage, when you sell the house, the first thing you have to do is pay off the mortgage out of the proceeds. See, just that fast, it simplifies it and clicks it in.

Leverage on Both Sides of the Supply Chain [21:10]

Nick Pericle: You talk about this mind and the muscle. That is an aspect of having a highly efficient supply chain that's able to fulfill worldwide customer needs. That doesn't happen overnight, and that doesn't happen without a high degree of intention of building towards that in a responsible manner.

[21:27] **Michael Knight:** An OEM component manufacturer is never going to be able to get in front of that customer in Uganda, and probably doesn't even see the need to. But you don't know — that customer in Uganda could be the next Apple Computer.

[21:43] **Nick Pericle:** If you sit yourself in the supplier seat, you don't want to deal with the tens of thousands of customers that you have to sell to. And if you're a customer, you don't want to have to deal with the hundreds or potentially more suppliers. That role of the distributor — that's how you can continue to maintain your value. Think about that critically and make sure that both sides of the supply chain understand that.

[22:04] **Michael Knight:** It's all about leverage. You want leverage in your relationships so that you can get the best deal, the best attention, the best service. And it's hard to have leverage with 10,000 customers or 10,000 suppliers.

Technology Without Limits and the Data Lake [22:21]

Nick Pericle: Michael, I know you are technology-forward thinking. You have spoken a lot about this with various technology partners that you've had. Overall, there are limitless ways to allocate capital towards technology. So let's say you had an unlimited budget, unlimited capital. What are some areas that you would be very cautious about applying technology to right now within distribution?

[22:47] **Michael Knight:** I'll tell you, in my mind, nothing's off the table. There is every nook and cranny — there's an opportunity literally in every nook and cranny, not just of distribution, but any business, because the technology today and tomorrow is fundamentally different than it was coming into this decade.

[23:09] **Nick Pericle:** We call that idea leapfrogging. How can you take your current stack and where you might have thought you needed to go — you can actually adopt new technologies by skipping over that step. How do you think technology today can help enable, call it the ERP upgrade, or adding on different technology solutions? How does that really work?

[23:29] **Michael Knight:** It starts with getting all your data into a data lake. And I don't care what your system is — or systems, it's usually plural. You can do this and then keep the data lake up to date. And then what the data lake allows you to do is, while you're on this journey of updating your base platform, you can start to take advantage of a lot of new technology. You can start to use AI. There's a lot of cool software packages out there that are purpose-built for things like customer profitability. And once you have a data lake, you can very quickly start to take advantage of some of that while you're on the journey.

[24:09] **Nick Pericle:** If you're an executive and your team is talking to you about a data lake, what does that really mean? And how do you think about the ROI of a data lake project?

[24:18] **Michael Knight:** I actually don't even think much about the ROI because I think the hurdle is low enough that — if you have a business of any size, the ROI is going to take care of itself.

Agentic Ambitions and Changing Engines Mid-Flight [24:35]

Nick Pericle: One of the tells that I have when I talk to an organization is when they talk about their data, do they refer to their data and then the system where it comes from right after that? So do they say, 'My customer data from my CRM, my customer data from my ERP' — or ERP one, two, or three — instead of saying, 'This is my customer data.' I see some organizations that have the scale where they've started bringing together purpose-built technologies, but it's for one particular function. It's for the ordering side, it's for customer intelligence to enable their sales teams.

[25:08] **Michael Knight:** Is it experimental? And so if it works, then they'll do another one?

[25:13] **Nick Pericle:** I see it two ways. They're both trying to prove out the value of the technology in a particular function, but also up to this point there isn't a wide-ranging platform that handles everything, and there's just not the bandwidth to take on that type of transformation across the organization. Many of these companies haven't stopped maintaining their ERP. They haven't stopped building out new branches. So we've actually only added technology responsibility up to this point.

[25:57] **Nick Pericle:** I'll tell you, no one is truly acting at a fully agentic level in that way. I think there are sparks of that, and there might be some depth to particular functions. But when you're saying, 'Go place an order' — and you're talking about sourcing, understanding inventory levels, matching products, all the way through to getting that product to where it needs to go on time at the right price, and having that fully automated across all operations — I think we're still very early.

[26:28] **Michael Knight:** What's really interesting is this kind of fantasy that we're talking about — I think all the technology to do it exists today. It's the old analogy: when you're doing an ERP migration, it's like changing the engines on a plane while it's flying. And if you screw it up, same consequence — you're going to crash and burn. So that slows things down and you build in lots of redundancies. To the extent that technology can de-risk that

and speed that up — personally, I think the pace of change could really reach a point where it breaks into the second half of the exponential curve, which is very steep and up to the right.

Amara's Law and the Exponential Curve [27:31]

Nick Pericle: The parabolic aspect. I think that plays to something that I'm pretty passionate about. It's Amara's Law, which states we have a tendency to overestimate the impact of technology in the short term and completely underestimate it in the long term. This follows the Gartner Hype Cycle as well, where we get really excited about what it's going to do in the short term, then we get disappointed. But ultimately there's a leveling out. This has played out pretty consistently. I think it's more dramatic with AI right now, but we're also living in it in the moment, and we have the benefit of hindsight 20/20 on other technology advances.

[28:10] **Michael Knight:** When you're running a business, you've got to navigate it all. You don't have a choice. You can kick the can down the road — you eventually run out of road.

Fine-Tuning the Antenna [28:19]

Nick Pericle: Where else are you fine-tuning your antenna to understand what's happening with technology, with the industry? What sources are you leaning into?

[28:27] **Michael Knight:** It's lots of things. I'm a big podcast listener. Podcasts on technology, podcasts on business models.

[28:34] **Nick Pericle:** I think we actually underestimate how much value is within those podcasts. I find there'll be an executive from a technology company and you can see how many views it has on YouTube — we're talking maybe 10,000 views — and you recognize he's sharing really important strategy. The access to information at that level, we've never experienced something like that before.

[28:58] **Michael Knight:** One of the things that helps chew through it faster is you can play it at 2x. Now I can't digest it that fast.

[29:07] **Nick Pericle:** I'm a 1.5.

[29:09] **Michael Knight:** It took me some training to get to 1.5. I read a lot and I talk to a lot of people and ask a lot of questions. And one of the things that I think is woefully missing in the world today is critical thinking. I'm a big fan of that notion. What I haven't had the time to do, and I need to make the time, is figuring out a way to use AI to consolidate and filter and condense down my information stream and deliver it so that with the time I have, if I can pack in 10x the data, the information — that would be awesome.

Get Wet with a Purpose [29:54]

[29:59] **Nick Pericle:** I'm passionate about that. I find myself — I'm inquisitive, I'm very curious about different changes that are happening. And many people, especially when you get to a leadership position, you start to recognize how much you don't know and you go on the search for new information. At the same time, there's a caution that I've received: bring information, but also don't let that discourage you from action, because action is actually producing additional information for you to understand and to set your hypothesis.

[30:33] **Nick Pericle:** I found at times I'm trying to fine-tune my antenna so much that it almost becomes the goal, when it shouldn't be. The goal is to get that information, take an action, take a step in a direction, and then update my hypothesis of how I'm acting and what I'm really trying to drive as a business outcome.

[30:51] **Michael Knight:** Your goal actually makes a heck of a lot more sense and is more deliberate than my goal. My goal is to get wet. And just to enjoy splashing around. So I have to constantly remind myself: Hey, get wet with a purpose.

Advice for Future Leaders: High IQ, High EQ, Low Ego [31:12]

Nick Pericle: When we talk about the idea of a renaissance man, there's many different aspects. AI is enabling you to understand and learn a lot at this point. Michael, it's been an enjoyable conversation. One of the reasons we wanted to do Distribution at the Crossroads was because we recognize that there are so many new people coming into the industry. We wanted to have conversations and talk about the changes that are happening while also understanding where the industry came from. As you think about future leaders within distribution, what advice would you have for them, where they can continue to learn about the history of the industry while also preparing for the future?

[31:54] **Michael Knight:** It's super simple. You absolutely have to enjoy learning. Make your hobby learning. And look for ways to expose yourself to new things, new ideas. Build relationships, network like crazy. Be open-minded. And this is a really hard one for me: listen more than you talk. And really be thoughtful and deliberate about what you're doing. A lot of what I'm talking about is high-EQ stuff. I think the ultimate is high IQ, high EQ, low ego. And that's not — some of that you're kind of born with, but whatever you're born with, you can enhance, I think, if you're deliberate. And I don't care where you are in the org chart or where you are on your life's timeline.

[32:55] **Michael Knight:** This notion of mentoring, to kind of come full circle — super important. Mentor others, because you learn a lot in that process. Certainly also be open to mentoring. And I'm a big fan of the kitchen cabinet concept, where you have some trusted advisors, whether it's in your personal life or your business life, and then serving in that role for other people. Because I'll tell you, it's the nature of being human — collectively we make better decisions than individually. Get that feedback, that data point. For future leaders, that's particularly difficult — you tend, if you're not careful, to get more isolated the further up the

org chart you go, and then you get added complexity if you're high up on the org chart in a public company or private equity-owned company. So yeah, it's not easy.

[34:01] **Michael Knight:** And so also I would say, find somebody like you who can provide some tips on how to use technology to hack some of that. I'm a big fan of hacks. I'm always looking for hacks. Everything I just described is kind of a journey for me, and to the extent I can find hacks, I'm on the lookout.

Be a Little More Shy [34:22]

Nick Pericle: That's great advice. Let me pose one last question. For these new leaders, taking all of this advice — what is it that you would ask new people coming into the industry to not be shy about, and what perspectives would you want them to bring?

[34:37] **Michael Knight:** My first instinct as I engage with new people coming into the industry is actually to do the opposite, which is ask them to be a little bit more shy.

[34:53] **Nick Pericle:** Honestly, that's the approach that I've taken as well. But curious if there's anything that comes to mind for you.

[34:58] **Michael Knight:** All the stuff that we're talking about — I am really encouraged when, as I said earlier, when I sit through things like presentations from interns at TTI. We've got a really great program for college recruiting and bringing people into the company and onboarding them — again, months and months of investment. And I love spending time around those people. And then the people within the company who lead those projects, who mentor — you learn a lot. And it's very inspiring. Because frankly, I'm a little aggravated — it's probably even more than aggravated, maybe a lot pissed off — with my own generation for how we're handling things, what we're doing. I really worry that we're writing checks that the younger generation is not going to be able to cover, is going to be on the hook for.

Optimism for the Next Generation [36:11]

Michael Knight: And so I'm looking for signs like everything's going to be okay. And these younger generations, man, I can't wait till they get into positions of power, because I think they're going to make better decisions. Be more — I'm hoping — be more selfless than I feel like my generation is being right now.

[36:36] **Nick Pericle:** Your optimism encourages me. I know it encourages many others. And as a millennial who for a long time — millennials were kind of the laughing stock where we said, 'Oh, that's such a millennial behavior.' Confidence from people like you and many others who've been very supportive in the industry, to say we're excited about what this next generation is going to do. There's still a lot to learn. There's still understandings and intricacies of the industry overall. But I think we're up for the challenge.

[37:02] **Michael Knight:** Nick, you're moments away from being an old timer. You're not going to be able to hide behind that millennial thing much longer.

Closing [37:11]

Nick Pericle: I'm not going to. I'm close to — I'm sure my kids would tell you the same thing. Well, Michael, it's been a pleasure. Thank you for being so open and for sitting with us at the Crossroads.

[37:19] **Michael Knight:** Yeah, I appreciate the opportunity.

Outro [37:21]

Nick Pericle: Thank you for tuning in to this episode of Distribution at the Crossroads. Distribution at the Crossroads is produced in collaboration with the National Association of Wholesale Distributors and the NAW Institute for Distribution Excellence. You can find every episode of Crossroads, the full transcripts, and short write-ups about each episode at the Modern Distribution Management website, mdm.com. If you have feedback, ideas, or want to talk through a topic that we touched on, please feel free to reach out to the NAW Institute Board or contact me, Nick Pericle, on LinkedIn.

[38:11] **Nick Pericle:** As a reminder, we call this series Distribution at the Crossroads because leadership in the distribution industry continues to be a series of choices — and the path you choose next shapes your team, your customers, your company, and the industry. Only one ask for you: we'd ask that you share this episode with a member of your team or others within the industry who could benefit from it. Thanks again for listening, and we'll be back soon. At the Crossroads.