Innovation generally refers to renewing, changing or creating more effective processes, products or ways of doing things (http://www.business.gov.au/BusinessTopics/Innovation/Pages/Whatisinnovation.aspx). Therefore to bring about innovations and to prepare the innovators we need to create suitable learning environment. Innovation for development is not possible only by having the technical skills. Most of the time people engage in team work through the development project. Therefore other complex soft (not technical or hard) skills like communication, public speaking, presentation, collaboration, decision making, critical thinking, creative problem solving, emotional intelligence etc. are equally important for its effectiveness. Hardware and software will not be able to do much if someone does not have these skills to embrace the change and progress. The learning environment we create should have the elements of ARCS (Attention, Relevance, Confidence and Satisfaction) Model. Paper includes discussion on an inquiry learning model named “Tankyu Practice” (Sumitani, 2005) for educational and social developments with examples (case studies). More detail description of learning environment design for developing required IT plus skills for innovation will be discussed in the paper.